A8600-8.56 U 1/90

KEY FACTS 1989

Newspapers, Advertising & Marketing

Newspaper Advertising Bureau, Inc.
1180 Avenue of the Americas
New York, New York 10036
212 921-5080

KEY FACTS 1989 - INDEX TABS

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In a recent landmark study by Newspaper Advertising Bureau, 58 senior advertising professionals representing 46 different major retail stores rated 1,009 ads[1] appearing in the 30 largest Sunday newspapers in the U.S. Each ad was rated as either "good", "okay" or "poor" on its value for building image, traffic and sales.

Here are some key findings on differences between "good" and "poor" ads:

- Illustrations should be more prominent. Ads for retail products benefit from illustrations covering half or more of the ad.
- Color enhances both image and sales ratings, but fewer than one-fifth of the study ads used color.
- The purpose of the ad must guide ad design. While experts view traffic and sales ads as similar, they use a different yardstick for image ads. Nevertheless, an ad that does a "good" job of meeting its primary objective is almost never seen as doing a "poor" job in other respects.
- Highly rated IMAGE ads are characterized by a distinctive look or style, particularly in illustrations. Experts give high ratings to an understated treatment featuring a single dominant illustration of people, headline of modest proportions, and minimal copy.
- Ads rated good at promoting SALES include features--particularly a headline or subhead--that help to catch reader attention and convey important information.

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1) The total sample of 1,009 ads was divided into 10 portfolios of about 100 ads each. Each portfolio was rated by six experts. For each ad, 44 design or ad layout features were coded. For further details, see "The Look of Winning Newspaper Ads", Newspaper Advertising Bureau, 1989.

ADS - Prospect Status & Interest

Consumers value the daily newspaper as a source for many kinds of information and a unique advertising medium. They know the difference between news and advertising, but they use both. Newspaper advertising is really shopping news. (See "NEWSPAPER - Reading of Items, Ads".)

Interest in newspaper ads is highly correlated with buying interest because newspaper ads tell people what, where, and how much, and because the human eye's remarkable scanning ability makes it easy for people to find the things they want to read:

Average Interest Level in Newspaper Ads
(by Prospect Status)

Prospect Status:	Interest in Ad
A ("hottest" prospects)	87%
B	75
C	47
Non-prospects:	
D	48%
E	37
F ("coldest" non-prospects)	14

Source: Newspaper Advertising Bureau collation of surveys by individual newspapers, 1985-1986.

Page opening (see PAGE OPENING stub) is the accepted measure of opportunity for advertising exposure. Other measures, such as Starch "Noted" scores, are also widely used as estimates of a specific ad's attention value. Any such measure varies with the kind of product advertised, the size of the ad, and the creative treatment.

Only a readership survey can provide reliable clues to a specific ad's attention value, but in the absence of a survey, average reported readership for a large number of ads may be useful. Averages also provide a useful benchmark for evaluating the performance of individual measured ads.

Percent of Ads Read on Opened Pages
(by size of ad)

Less than one-quarter page	12%
One-quarter to less than one-half page	17%
Half to less than full page	25%
Full page or more	44%

Source: Audits & Surveys, Inc. 1982. (Unweighted base is 16,605 ads of five column inches or more appearing on randomly selected sample pages of newspapers read "yesterday". For more details, see Newspaper Pages, Ads and Readers, Newspaper Advertising Bureau, 1984.)

ADS - SAUs (Standard Sizes)

The Standard Advertising Unit system makes it easy to produce and place newspaper advertising. The expanded SAU system has been endorsed by AAAA, ANPA, INAME, NAB and other organizations. Practically every daily newspaper in the U.S. accepts SAUs.

Broadsheet newspapers in full compliance with the system have a 6-column format for display advertising, a 13-inch printed page width and a standard column width of 2 1/16 inches. Measurement and billing of advertising is based on the standard column inch.

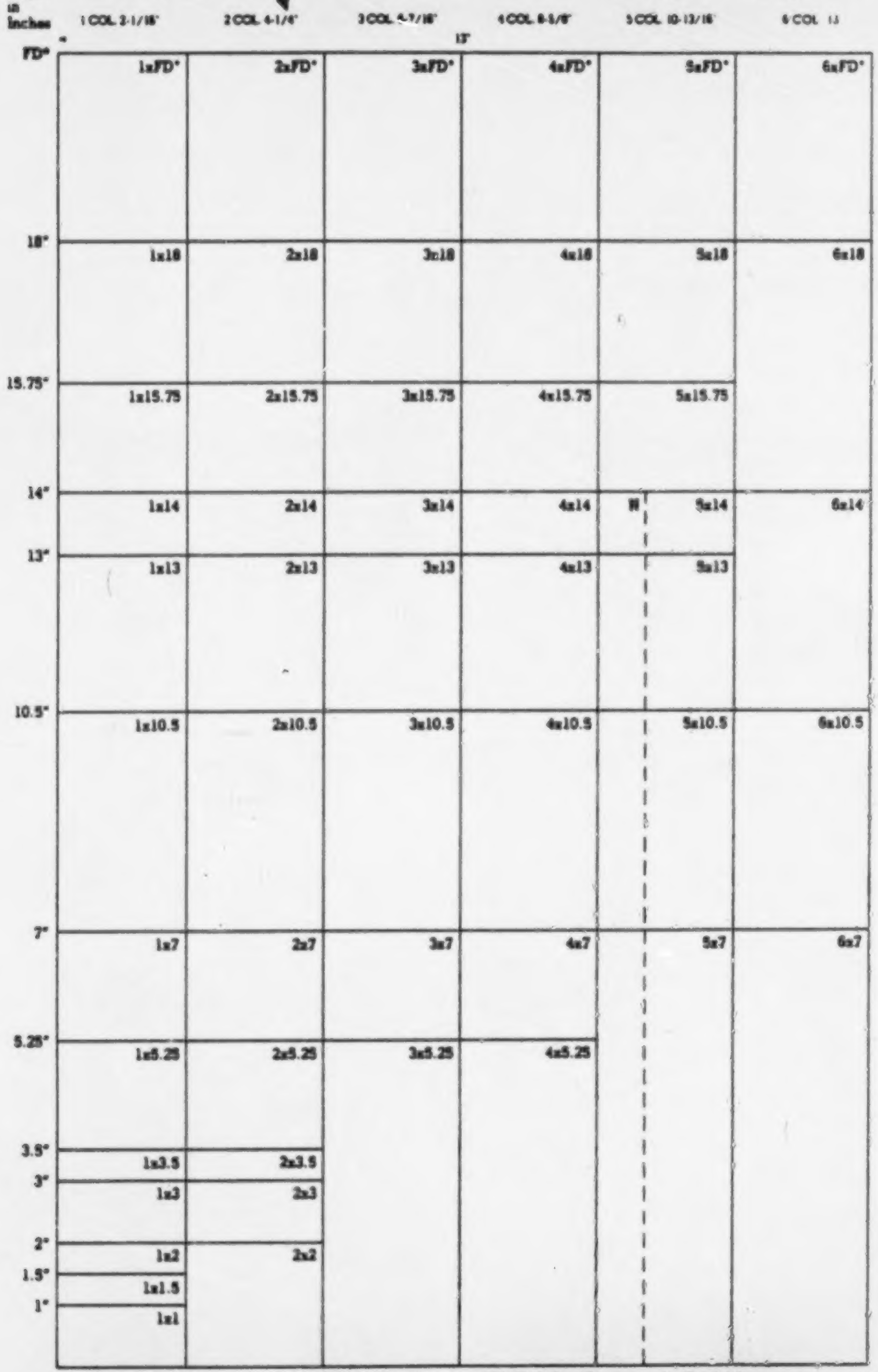
Most tabloids have adopted a 5-column format with the same column width as broadsheets. There are special provisions for short cut-off tabloids. (The expanded SAU format chart opposite depicts 53 of the 57 advertising sizes, including the N size for short cut-off tabloids. The remaining four sizes are all double trucks, as indicated.

The table on page 6 shows column inch equivalents and SAUs for fractional parts of broadsheet and tabloid pages.

For more information or a full-scale SAU format chart, call Charles Kinsolving at (212) 704-4544.

(Effective July 1, 1984)

The Expanded SAU™ Standard Advertising Unit System


Depth in Inches
1 COL 2-1/16"
2 COL 4-1/4"
3 COL 6-7/16"
4 COL 8-5/8"
5 COL 10-13/16"
6 COL 13
13"
FD*
18"
15.75"
14"
13"
10.5"
7"
5.25"
3.5"
3"
2"
1.5"
1"
1xFD*
2xFD*
3xFD*
4xFD*
5xFD*
6xFD*
1x18
2x18
3x18
4x18
5x18
6x18
1x15.75
2x15.75
3x15.75
4x15.75
5x15.75
1x14
2x14
3x14
4x14
N
5x14
6x14
1x13
2x13
3x13
4x13
5x13
1x10.5
2x10.5
3x10.5
4x10.5
5x10.5
6x10.5
1x7
2x7
3x7
4x7
5x7
6x7
1x5.25
2x5.25
3x5.25
4x5.25
1x3.5
2x3.5
1x3
2x3
1x2
2x2
1x1.5
1x1

1 Column 2-1/16"
2 Columns 4¼"
3 Columns 6-7/16"
4 Columns 8⅝"
5 Columns 10-13/16"
6 Columns 13"

Double Truck 26¾"
(There are four suggested double truck sizes:)

13xFD*	13x18
13x14	13x10.5

***FD (Full Depth):** [illegible]

Tabloids: [illegible]

Newspaper Advertising Bureau, Inc.
[illegible]

Fractional Pages: Column Inch Equivalents, With Standard Advertising Unit Options

Broadsheet

Full page = 126 column inches

6 x 21 (full depth)

Two-thirds page = 84 column inches

4 x 21 (full depth)
6 x 14

Half page = 63 column inches

3 x 21 (full depth)
4 x 15.75
6 x 10.5

One-third page = 42 column inches

2 x 21 (full depth)
3 x 14
4 x 10.5
6 x 7

Quarter page = 31.5 inches

2 x 15.75
3 x 10.5

One-sixth page = 21 column inches

1 x 21 (full depth)
2 x 10.5
3 x 7
4 x 5.25

Tabloid*

Full page = 70 column inches

5 x 14

Four-fifths page = 56 column inches

4 x 14

Three-fifths page = 42 column inches

3 x 14
4 x 10.5

Half page = 35 column inches

5 x 7

Two-fifths page = 28 column inches

2 x 14
4 x 7

One-fifth page = 14 column inches

1 x 14
2 X 7

One-tenth page = 7 column inches

1 x 7
2 x 3.5

* May not apply to the New York Daily News, Newsday and other short cut-off tabloids. Consult individual newspaper for equivalents.

Most Believable Advertising Medium

	Percent Selecting
Newspaper	48%
Television	21
Direct mail	8
Magazines	8
Radio	4
All media equally believable	5
No answer	6

Source: Henry Senft Research Associates, Inc., 1986

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7 out of 10 newspaper readers (71%) agree that,

"The paper helps me to decide where to shop and buy."

Source: Response Analysis Corporation, 1987

"Which of the two media--newspapers or TV--is more important to you as a consumer or shopper?"

Newspaper: 65% Television: 15% Equal: 13%

Source: Response Analysis Corporation, 1987

ADVERTISING - Expenditures, All Media

TOTAL U.S. ADVERTISING VOLUME
(Billions of dollars)

	1986		1987		1988	
Medium:	Billions	% Share	Billions	% Share	Billions	% Share
Newspapers total	$27.0	26.4%	$29.4	26.8%	$31.2	26.4%
national	3.4	3.3	3.5	3.2	3.6	3.0
local	23.6	23.1	25.9	23.6	27.6	23.4
Magazines total	$ 5.3	5.2%	$ 5.6	5.1%	$ 6.1	5.1%
weeklies	2.3	2.3	2.5	2.2	2.6	2.2
women's	1.4	1.3	1.4	1.3	1.5	1.3
monthlies	1.6	1.6	1.7	1.6	1.9	1.6
Farm Publications	$ 0.2	0.2%	$ 0.2	0.2%	$ 0.2	0.2%
Television total	$22.8	22.4%	$23.9	21.8%	$25.7	21.8%
network	8.3	8.2	8.5	7.8	9.2	7.8
cable (national)	0.7	0.7	0.8	0.7	0.9	0.8
syndication (natl)	0.6	0.6	0.8	0.7	0.9	0.8
spot (national)	6.6	6.4	6.8	6.2	7.1	6.0
spot (local)	6.5	6.4	6.8	6.2	7.3	6.2
cable (local)	0.2	0.2	0.2	0.2	0.2	0.2
Radio total	$ 6.9	6.8%	$ 7.2	6.6%	$ 7.8	6.6%
network	0.4	0.4	0.4	0.4	0.4	0.4
spot (national)	1.3	1.3	1.3	1.2	1.4	1.2
spot (local)	5.2	5.1	5.5	5.0	6.0	5.0
Yellow Pages total	N.A.	N.A.	$ 7.3	6.7%	$ 7.8	6.7%
national	N.A.	N.A.	0.8	0.8	0.9	0.8
local	N.A.	N.A.	6.5	5.9	6.8	5.9
Direct Mail	$17.1	16.8%	$19.1	17.4%	$21.1	17.9%
Business Papers	$ 2.4	2.3%	$ 2.5	2.3%	$ 2.6	2.2%
Outdoor total	$ 1.0	1.0%	$ 1.0	0.9%	$ 1.1	0.9%
Miscellaneous total	$19.3	18.9%	$13.4	12.2%	$14.5	12.3%
national	9.9	9.7	9.7	8.8	10.5	8.9
local	9.4	9.2	3.7	3.4	4.1	3.4
Total National	$56.9	55.7%	$60.6	55.3%	$65.6	55.6
Total Local	$45.3	44.3%	$49.0	44.7%	52.4	44.4
GRAND TOTAL	$102.1	100.0%	$109.7	100.0%	$118.1	100.0%

Estimates include all costs: time & talent, space & production. Sources: McCann-Erickson, Inc; Newspaper Advertising Bureau. Prepared by Research Department, (212) 704-4561. Because of rounding individual entries may not add to total .

Media planners often need to compare the cost of various advertising media. One approach to the problem is to use common universe standards as a media base. The Area of Dominant Influence (ADI) is a geographic unit often used for planning purposes, since the 212 ADIs account for the total land area of the United States.*

Intermedia cost estimates can be expressed in terms of households or standard demographic age/sex cells because current figures are available for both broadcast and newspapers. Since major advertisers and agencies are usually concerned with advertising schedules rather than single insertions, the logical measure for potential exposure is Gross Rating Points (GRPs).

The table on page 10 illustrates how GRPs can be used for intermedia comparisons, in this case between TV and newspapers. This table compares the cost-per-household GRP of the quarter-page newspaper space unit (31.5 column inches) with the 30-second commercial unit. The TV daypart used is prime because this is the time period offering a large dual audience, most comparable in size and composition to newspapers.

The figures shown represent a conservative estimate at national open rates, used in the initial stage of setting up a media plan. A final plan specifying particular TV programs and newspapers (with local or earned volume discounts) would show better efficiencies in cost-per-thousand audience delivery.

For further details contact Uldis Grava at (212) 704-4550.

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* This statement applies to the Designated Market Area (DMA) as well. ADI is used by Arbitron; DMA, by Nielsen.

For most marketing purposes, the Metropolitan Statistical Area (MSA) definition of markets is the most appropriate measure, because boundaries are drawn to take into consideration where people live, work and shop. However, the advertising community's standard practice is to use television-oriented market definitions, such as ADIs and DMAs.

ADVERTISING - Intermedia Cost Estimates

Newspaper vs. Television: Top 20 ADI Markets
HH Universe and Cost/HH GRP Comparison

ADI Market	HH (000s)	30 second Primetime Spot TV Cost/HH GRP	31.5 inches Daily Newspapers Cost/HH GRP
1. New York	6,990	$577	$722
2. Los Angeles	4,885	$534	$528
3. Chicago	3,087	$327	$348
4. Philadelphia	2,652	$231	$309
5. San Francisco	2,173	$364	$283
6. Boston	2,054	$342	$265
7. Detroit	1,715	$176	$233
8. Dallas/Ft. Worth	1,660	$263	$204
9. Washington, DC	1,626	$208	$210
10. Houston	1,447	$248	$143
Total: Top 10	28,289	$3,270	$3,245
11. Cleveland	1,431	$119	$135
12. Atlanta	1,295	$178	$143
13. Seattle/Tacoma	1,274	$191	$124
14. Minneapolis/St. Paul	1,246	$133	$152
15. Miami	1,244	$223	$190
16. Pittsburgh	1,201	$132	$157
17. Tampa/St. Petersburg	1,144	$141	$125
18. St. Louis	1,110	$116	$114
19. Denver	1,032	$127	$108
20. Sacramento	1,031	$123	$121
Total: Top 20	40,297	$4,753	$4,614

Sources: Media Market Guide, 1st Qtr 1989; PEP Media Database, 1989

Through NAB's NEWSPLAN, over 1,000 newspapers with more than 82% of total weekday circulation offer discounts to national and regional advertisers who place ROP column inches or modular units equal to six or more pages per year. For more information, contact Jim Wilson at (212) 704-4503. (Also see DISCOUNTS - National Advertising.)

Current information on ROP rates for daily and Sunday/weekend newspapers is available from the Economic and Media Analysis Unit of NAB. Contact Yannis Takos at (212) 704-4561.

Current information on rates for preprints and inserts is available from Jack Aldinger at (212) 704-4521 or Ted Knecht at 704-4520.

Among the Economic and Media Analysis Unit reports that include rate information are the following: (Also see MEDIA REPORTS.)

MSA METROPOLITAN MARKETS BY HOUSEHOLDS (318 MSAs)

United States markets ranked by number of households in MSA. Lists all newspapers with at least .05 ratio of circulation to households or more than 25,000 circulation. Includes circulation-to-household ratios; metro and total circulation; inch rates; and cost of SAU quarter page, half page and full page. Published separately for weekday and Sunday/weekend editions.

ADI MARKETS BY HOUSEHOLDS (212 ADIs)

Comparable information, ranked by number of households in Area of Dominant Influence rather than by Metropolitan Statistical Area.

CUMULATIVE CIRCULATION AND RATES OF DAILY NEWSPAPERS IN 317 MSAs NECESSARY TO OBTAIN 60% HOUSEHOLD COVERAGE IN EACH MARKET

(For complete list of annual reports prepared by Economic and Media Analysis Unit of NAB, see page 5.)

ADVERTISING - Sales Effects

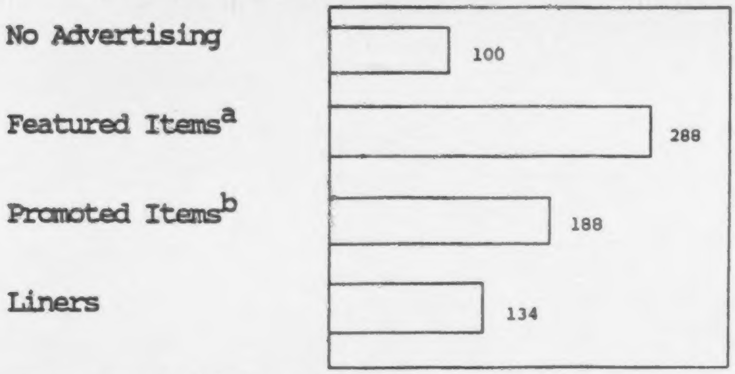
Regular newspaper advertising means more sales:

On any given day, the market is thin, even for widely used products. 85% of this week's general merchandise purchases weren't planned as much as seven days in advance. And the newspaper generates more unplanned purchases than all other media combined.

Source: Response Analysis Corporation, 1982

Larger newspaper ads mean more sales:

An analysis of scanner records covering 479 items appearing in ads for 17 stores shows that the products that are given the most space get the biggest boost in sales, even without price cuts.



a) Four square inches or more.

b) Larger than a liner but less than four square inches.

Color in newspaper ads means more sales:

In 1985 and 1986, split-run tests of 17 ads in 7 markets showed that ROP color moved an average of 43% more merchandise than the same ads in black and white.

The size of the daily audience varies little over the five weekdays...

Index of Daily Newspaper Readership by Adults

	Average Weekday	Monday	Tuesday	Wednesday	Thursday	Friday
Total adults	100	98	100	102	100	101
Men	101	99	101	102	102	100
Women	99	97	98	102	98	101

Source, Audits & Surveys, Inc, 1982.

...mainly because most newspaper readers are subscribers.

How Daily Newspapers Read Yesterday Were Obtained

	Weekday	Sunday
Subscribe, delivery	73%	63%
Bought single copy	18	31
Family member brought home	2	2
Obtained otherwise	7	4

Source: Response Analysis Corporation, 1986 (Sunday); 1987 (weekday).

And newspaper reach is virtually constant throughout the year.

Index of Month-by-Month Circulation

	J	F	M	A	M	J	J	A	S	O	N	D
AM	101	101	101	101	100	99	97	98	99	101	101	100
PM	99	100	100	100	100	100	99	99	100	101	101	101
Sun/wknd	100	101	101	101	100	99	98	98	100	101	101	100

* Average month circulation = 100.

Source: Media General, Inc, survey of ICMA members. Data cover the years 1976-1980 and are weighted by circulation size and geographic region to represent national totals.

Consumers in the Classified Marketplace

The classified pages of daily and Sunday newspapers constitute a massive marketplace. Even when Americans aren't actively looking for a car, a job or a home, many try to keep up with ongoing trends in these three vital areas of living:

Percent of Adults Who Try to Keep up with Trends

In car models, prices, etc.	33%
In the job market, salaries, etc.	37%
In real estate, housing prices, etc.	41%

For keeping up with automotive, employment and real estate trends, the main sources of information are the daily and Sunday newspaper, especially the classified pages:

Main Source of Information on Trends

	Automotive	Employment	Real Estate
Classified ads, daily or Sunday newspaper	59%	59%	63%
Friends, relatives, coworkers	17	35	28
Television, TV	18	9	3
Magazines	11	10	5
Weekly newspapers, classified	5	4	7
Radio	2	3	1
Car dealers, lots	12	NA	NA
Union, trade association	NA	6	NA
All other mentions	11	13	20
Base: Those who like to keep up with trends	(382)	(435)	(465)

Source: Response Analysis Corporation, 1986.

Selling Power

Advertisers know that color increases the effectiveness of their ads. Color attracts attention, generates excitement and enhances the appeal of advertising.

Split-run studies in 1985 and 1987 testing a total of 17 ads in seven markets showed that the color ads outsold the same ads in black and white by 43%.

(For further details, see "Update on Split-Run Tests of Sales Effectiveness of ROP Color," Newspaper Advertising Bureau, 1988.)

AVAILABILITY: Cumulative Percent of Total Circulation Represented by Daily Newspapers Offering ROP Color

	Accept SAU Full-Page Ad		
	One Color	Two Colors	Full Color[a]
Top 50 MSAs	92%	83%	82%
Top 100 MSAs	94	86	85
Top 200 MSAs	95	88	87
All 317 MSAs	95	89	88

a) All daily newspapers with at least .05 ratio of circulation to households, or more than 25,000 circulation in the MSA.

COLOR - Facts About ROP

- Readers recognize that the daily newspaper is becoming a color medium:

    31% saw some color in their paper at least half the time in 1986.

    37% saw color on the front page at least half the time in 1988.

    54% saw an increased amount of color in 1988 compared with a couple of years before.

- Readers notice an improvement in color quality:

    57% think newspaper color has improved over the past couple of years.

    18% of them say the color has improved a great deal.

- Color is important to readers:

    74% wanted color in their paper in 1986.

    90% of the youngest (18-25 years) adults wanted color.

    Color is personally important to 2 out of 3 who want it.

Women want more color on:	Fashion and food pages
Men want more color on:	Sports and front page/general news pages.
Both want more color on:	Entertainment, travel, and home/garden pages.

For more information, see "Readers on ROP Color: Omnibus Survey III," Newspaper Advertising Bureau, 1988.

With just one call to Newspaper Co-op Network, manufacturers and advertising agecies can easily place dealer listing co-op ads in any number of markets. Through NCN, you can coordinate your local message with your national brand awareness advertising--and still include local dealer listings in each market.

NCN DOES ALL THE WORK! Here are ten of NCN's unique advantages:

FACT 1	One Order/One Bill makes newspapers easy to use for co-op and eliminates the hassle of multiple orders and invoices.
FACT 2	NCN is cost efficient--It eliminates administration costs and insures the best possible rates available for dealer list co-op advertising.
FACT 3	Stimulates local retailer involvement and produces new retail single-signature advertising.
FACT 4	Flexibility--Tailors newspaper coverage to your needs for any combination of regular or test markets.
FACT 5	Creative control--Advertiser controls both graphics and content.
FACT 6	Guaranteed-timing--Direct placement when and where you want it.
FACT 7	Localized monitoring--Provides a new measurement tool. National Sales Manager now evaluates local market dealer penetration.
FACT 8	Customization--Dovetails ad coverage with local representatives' sales areas or distributor/wholesaler territories.
FACT 9	Specialization--Trouble-shooting capability to solve immediate marketing problems, market by market.
FACT 10	Free sales help!--NCN's newspaper co-op managers act as an extension of your own sales force. (Newspapers have more than 26,000 retail sales people in the field.)

Best of all, NCN WORKS! Ask us for success stories. For more information on NCN, call Frank Hennessey at (312) 644-1295.

COUPONS - Distribution and Usage

Newspapers remain the leading medium for the distribution of coupons. According to Manufacturers Coupon Control Center (MC3), newspapers accounted for more than four out of every five coupons distributed in 1987, with seven-eighths of newspaper coupons distributed through free-standing inserts (FSIs).

Distribution Pattern of Manufacturers' Cents-Off Coupons

Medium	1982	1983	1984	1985	1986	1987
Newspapers	77.9%	80.1%	82.1%	82.2%	83.7%	83.2%
Daily ROP	23.1	20.0	17.3	12.2	7.4	5.9
Co-op	15.2	12.2	10.0	8.0	7.1	4.6
Sunday supplements	6.3	4.9	3.3	2.1	1.2	n.a.
Free-standing inserts	33.3	43.0	51.5	59.9	68.0	72.7
Magazines	11.4	10.0	8.5	8.6	6.5	3.7
Direct mail	3.8	4.3	4.4	4.4	4.0	5.3
In/on pack	6.9	5.6	5.0	4.8	5.8	5.3
Other (inc. Sun. supplements)	n.a	n.a	n.a.	n.a.	n.a.	2.5

Source: Manufacturers Coupon Control Center, 1988, 1987
Nielsen Clearing House, earlier years

MC3 also reports that the number of coupons distributed continued to increase in 1987 but at a slower rate than in previous years. During 1987 the number of coupons distributed grew to 215.2 billion, an increase of 6% over the previous year. This increase included a 9% increase in coupons for grocery products and a 4% decrease in coupons for health and beauty aids. Consumers redeemed 7.15 billion coupons in 1987, roughly the same number they redeemed in 1986. Using coupons, they saved a total of $2.84 billion on their shopping bills in 1987.

According to Mediamark Research, Inc., 70% of female homemakers use coupons, 83% of them using coupons from the newspaper. Coupons are used by the majority of female homemakers in every demographic category.

Each year, Newspaper Advertising Bureau sponsors an ATHENA/Creative Newspaper competition to honor the best newspaper advertising of the year. ATHENA is an acronym for the "Award to Honor Excellent Newspaper Advertising" and is the premier award of the newspaper industry for creative achievement.

Seventy-five ads are selected from more than 8,000 entries. Twenty are ATHENA winners. Other winning ads are chosen for Awards of Merit by the Newspaper Advertising Bureau.

The competition categories include local, retail, national and classified ads in black and white or color. Advertisements with coupons, inserts, newspaper magazine ads, tie-ins and public service/non-profit ads are also recognized.

The Creative Newspaper is published in the form of a full-color, two-section, 48-page broadsheet newspaper, which has been called the best newspaper advertising salesperson in America. Some 100,000 copies are distributed to advertising agency creative directors and account executives, as well as to manufacturers, marketers and retailers, and of course, member newspapers of the Bureau. An entertaining multi-media presentation is also available in slides and video formats.

For more information on how you can obtain a presentation or copies of Creative Newspaper, call Susan Harelick at (212) 704-4614.

DEMOGRAPHICS - Daily Newspaper Readers (Average Weekday)

	Readers (in 000s)s	Percent of Adults
Total population	113,337	64%
By sex:		
Men	56,018	66%
Women	57,319	62
By age:		
18-24 years	14,664	57%
25-34 years	25,171	58
35-44 years	22,973	66
45-54 years	16,415	69
55-64 years	15,199	70
65 years or older	18,916	66
By education:		
College graduate	24,607	75%
1 to 3 years college	23,048	71
High school graduate	45,952	65
Some high school or less	19,731	47
By household income:		
$60,000 or more	15,168	76%
$50,000 or more	23,671	75
$40,000 or more	39,866	74
$30,000 - $39,999	20,402	69
$20,000 - $29,999	21,652	64
$10,000 - $19,999	21,713	57
Less than $10,000	9,704	44
By occupation:		
Professional, manager	21,907	74%
Technical, clerical, sales	24,607	68
Precision, crafts	8,669	61
Other employed	17,574	57
Not employed	40,580	60
By county size:		
County size A	50,194	68%
County size B	34,348	65
County size C	16,534	61
County size D	12,261	52

Source: Study of Media & Markets, SMRB, 1989.

Sunday Newspaper Readers (Average Weekend) - DEMOGRAPHICS

	Readers (in 000s)	Percent of Adults
Total Adults	119,349	67%
By sex:		
Men	57,716	68%
Women	61,633	66
By age:		
18-24 years	15,912	62%
25-34 years	28,887	67
35-44 years	24,312	70
45-54 years	16,698	70
55-64 years	15,213	70
65 years or older	18,326	64
By education:		
College graduate	26,336	80%
1 to 3 years college	24,353	75
High school graduate	48,633	69
Some high school or less	20,027	48
By household income:		
\$60,000 or more	16,019	80%
\$50,000 or more	25,328	80
\$40,000 or more	42,698	79
\$30,000 - \$39,999	21,822	73
\$20,000 - \$29,999	23,243	68
\$10,000 - \$19,999	21,543	56
Less than \$10,000	10,042	46
By occupation:		
Professional, manager	23,420	79%
Technical, clerical, sales	26,539	74
Precision, craft	9,331	65
Other employed	18,692	60
Not employed	41,367	61
By county size:		
County size A	54,665	74%
County size B	35,928	68
County size C	16,334	61
County size D	12,422	52

Source: Study of Media & Markets, SMRB 1989.

DISCOUNTS - National Advertising

It is not possible to establish any national system that recommends particular rate schedules or methods of computing rates, because antitrust laws prohibit any agreements on rates among competing firms. However, with the advice of legal counsel, the Future of Advertising Committee has suggested that daily newspapers establish Standard National Volume Breaks to make newspapers easier to buy.

To simplify cost estimates for national advertisers, the Committee suggests that common break points be established at numbers of inches corresponding roughly to SAUs, as shown in the following chart:

Suggested Break Points for Volume Discounts for National Rates

Advertising Volume	Inch Equivalency	15 Suggested Volume Break Points
		Open
1/4 page	31 1/2"	31 1/2
1/2	63	63
1	126	126
2	252	250
4	504	500
6	756	750
10	1,260	1,200
13	1,638	1,600
26	3,276	3,200
52	6,552	6,500
75	9,450	9,000
100	12,600	12,500
150	18,900	18,000
200	25,200	25,000

For more details, see "OPPORTUNITIES IN NATIONAL ADVERTISING Through Simplified Rate Structures", The Future of Advertising, Newspaper Advertising Bureau.

The daily and Sunday newspaper provide varied editorial environments to meet the needs of almost any advertiser.

A 1987 survey of newspapers enables NAB to supply a computerized list of newspapers that regularly carry a specific section or feature. This list, alphabetized by state and by city within state, tells which days of the week the section or feature runs, as well as the newspaper's policy on positioning advertising in that section or adjacent to that feature.

SECTIONS on which information is available include:

- Business, Finance
- Entertainment
- Fashion
- Food
- Home
- Lifestyle, Women
- Science
- Sports
- TV, Radio
- Travel

FEATURES (partial listing):

- Advice on personal finance
- Astrology
- Automotive
- Beauty

- Best food buys
- Books
- Business, financial
- Career advice

- College
- Computers (personal)
- Diet, nutrition
- Fashion, men

- Fashion, women
- Fashion, teenage
- Games and puzzles
- Gardening

- Health and medical
- Home repair, building
- Home furnishings
- Movie timetable

- Music, records, tapes
- Op Ed page
- Outdoors: camping, etc.
- Personal advice

- Pets
- Physical fitness
- Real estate
- Recipes

- Religion
- Restaurants
- Science
- Stamps, coins

- Theater
- Travel & resort
- Videotape reviews
- Wine

For information, call Chuck Lehman at (212) 704-4564.

FOOD SHOPPING

The homemakers who spend the most on groceries are the best newspaper readers.

Amount Spent in Average Week:	Coverage Average Weekday	Coverage Average Sunday
Less than $40	55%	55%
$40 - $59	55	60
$60 - $99	60	62
$100 or more	64	69

About six out of ten homemakers shop on Thursday, Friday or Saturday, but food shopping is spread over all seven days.

Usual Shopping Days for Groceries

(Homemakers)	Adults*	Men*	Women*
Monday	14%	15%	14%
Tuesday	15	19	14
Wednesday	18	20	18
Thursday	19	18	19
Friday	24	21	24
Saturday	26	32	25
Sunday	12	19	11
Projected totals (in millions)	(97.8)	(18.6)	(79.2)

Source: Mediamark Research, Spring 1988

* Total exceeds 100% because some shop on more than one day per week.

AD/SAT™	The Satellite Network for Advertising Delivery provides high-resolution facsimile transmission newspaper advertising, by satellite, in minutes.
Broadsheet:	A "standard" or large-size newspaper. In July 1984, most broadsheet dailies adopted a uniform, 13-inch printed page width and a full depth of 21" or deeper, up to 22 1/2".
City zone:	The corporate city limit, plus adjoining areas in cases of heavily populated areas, as designated by the Audit Bureau of Circulation (ABC).
Color scanner:	Electronic equipment that automatically produces separations for ROP process (or "full") color.
Column inch:	Space measurement one column wide and one inch deep. (See "SAUs", pp 10,11,12.)
Double truck:	Two facing pages used for a single unbroken advertisement. Also called a two-page spread.
Facsimile transmission:	The electronic transmission of a page image (usually to printing plants at other sites).
Front-end system:	A total computer system for text entry, editing, formatting and/or billing, for editorial, display advertising and/or classified advertising.
Pagination system:	A computerized makeup system for composing whole pages of type, line art and halftones.
Penetration:	For a given newspaper within a specified area, the ratio of circulation to households; the newspaper equivalent of a household rating in broadcast.
ROP ("run-of-paper"):	ROP is a term generally applied to ads that appear on a newspaper page (as distinguished from inserts or preprints).
Scotch double truck:	A single unbroken advertisement on two facing pages bordered by one full column of editorial on each of its vertical sides and by shallow columns of editorial across the top.
Tabloid:	A newspaper with a smaller page size than a broadsheet. A full tabloid page is usually 14 inches deep. The width varies from 9 3/8" ("short cut-off") to 10 13/16" ("long cut-off").

INSERTS - Facts About FSIs

Readers as well as advertisers like FSIs. 72% of Sunday newspaper readers report that they read special advertising inserts:

	Total Reading	Read Regularly	Look at Now & Then
Total Sunday Newspaper Readers	72%	46%	26%
Men	62%	34%	28%
Women	81	57	24

Source: Response Analysis Corporation, 1987

Through NAB's One-Order/One-Bill Newspaper Placement Service, advertisers and agencies can obtain all the information needed to plan and execute any multi-newspaper ROP or insert program, including costs, specifications, and availabilities. For more information or estimates, call Jack Aldinger or Ted Knecht at (212) 704-4520/21. They will handle all paper work, make reservations, issue insertion orders, provide proof-of-performance tearsheets and forward payments to every newspaper on the schedule, billing you on one invoice.

Newspaper Insert Advertising Volume

	Free-Standing Inserts (Card & Multi-Page) (billions)	Free-Standing Insert Revenue* (billions)
1982	30.0	$2.5
1984	41.3	$3.7
1985	45.4	$4.2
1986	51.5	$4.9
1987	54.8	$5.4
1988	56.4	$5.9

* Printing costs included.

Source: Newspaper Advertising Bureau, Inc.

Standard Advertising - INVOICE

The Standard Advertising Invoice (or SAI), makes daily and Sunday newspapers more user friendly than ever. The SAI, endorsed by the boards of ANPA, INFE, INAME, and NAB, has already been adopted by more than 65% of all daily newspapers in the U.S. The SAI appears in either vertical or horizontal format and can be used for all types of newspaper advertising, including display, classified, inserts and other miscellaneous items.

The 29 elements of the Standard Advertising Invoice are:

1. Newspaper Name, Address, and Phone Number
2. Billed Account Name and Address
3. Invoice/Document Number

4. Billing Date
5. Billing Period
6. Terms of Payment

7. Billed Account Number
8. Advertiser/Client Number
9. Advertiser/Client Name

10. Date of Insertion
11. Newspaper's Reference Number
12. Other Charges or Credits

13. Description
14. Product/Service Code
15. SAU/Dimensions
16. Times Published
17. Billed Units
18. Applicable Rate

19. Gross Amount
20. Net Amount
21. Current Gross Amount

22. Current Net Amount Due
23. Cash Discounts
24. Aging of Past Due Amounts

25. Total Net Amount Due
26. Billed Account Number
27. Billed Account Name

28. Name and Address for Remittance
29. Contract Performance

For more details, see "The Standard Advertising Invoice", *The Future of Advertising*, Newspaper Advertising Bureau.

ANNUAL REPORTS PREPARED BY ECONOMIC AND MEDIA ANALYSIS UNIT, NEWSPAPER ADVERTISING BUREAU

1. U.S. Daily and Sunday newspapers - 1945 to present - Number and Circulation
2. How much do people spend to read daily and Sunday Newspapers? 1945 to present

3. Total advertising volume in the U.S., 1935-1985 (McCann-Erickson)
4. Newspaper advertising expenditures, 1945-1985. National, Retail and Classified

5. National advertising expenditures in measured media by classification
6. Annual retail newspaper advertising expenditures by category

7. Classified newspaper advertising expenditures by type, 1975 to present.
8. Daily newspapers in 317 MSAs: Households, coverage, circulation, column inch rate, cost of SAU quarter page, SAU half page and full page

9. Sunday newspapers in 317 MSAs: Households, coverage, etc.
10. Daily newspapers in 212 ADIs: Households, coverage, etc.

11. Sunday newspapers in 212 ADIs: Households, coverage, etc.
12. Daily newspapers in 317 MSAs: ROP color edition

13. Daily newspapers in 212 ADIs: ROP color edition
14. Cumulative circulation and rates of daily newspapers in 317 MSAs necessary to obtain 60% household coverage in each market

15. Cumulative circulation and rates of Sunday newspapers in 317 MSAs necessary to obtain 60% household coverage in each market
16. Cumulative circulation and rates of daily newspapers in 212 ADIs necessary to obtain 60% household coverage in each market

17. Cumulative circulation and rates of Sunday newspapers in 212 ADIs necessary to obtain 60% household coverage in each market
18. Daily and Sunday newspapers with zone editions

19. Cities in the U.S. with two or more newspapers
20. Newspapers in the U.S. not accepting beer, wine or liquor advertising

21. Media breakdown of U.S. agencies billing $30 million or more
22. Newspapers not offering a 2% cash discount

Inquiries: Research Department, (212) 704-4611, -4612

Advertising Expenditures, Circulation Revenue - NEWSPAPERS

Newspaper Advertising Expenditures*
(billions of dollars)

	National	Retail	Classified	Total
1983	$2.7	$11.8	$6.0	$20.6
1984	3.1	12.8	7.7	23.5
1985	3.4	13.4	8.4	25.2
1986	3.4	14.3	9.3	27.0
1987	3.5	15.2	10.7	29.4
1988	3.6	15.8	11.8	31.2

* Production costs included.

Source: NAB estimates (ADEST).

Newspaper Insert Advertising Volume

	Free-Standing Inserts (Card & Multi-Page) (billions)	Free-Standing Insert Revenue** (billions)
1980	27.7	$2.0
1982	30.0	$2.5
1984	41.3	$3.7
1985	45.4	$4.2
1986	51.5	$4.9
1987	54.8	$5.4

** Printing costs included.

How Much Do People Spend to Read Daily and Sunday Newspapers
1987 Estimate of Annual Expenditures in the United States
(in billions of dollars)

Weekday	Sunday	Total
$5.56	$2.84	$8.40

Sources: SRDS, Editor and Publisher Yearbook; ABC; CARD.
Prepared by Newspaper Advertising Bureau, Inc.

NEWSPAPER - Audience Data

CAN DO: Audience Data for Any Schedule of Daily and Sunday Newspapers

The Newspaper Advertising Bureau's CAN DO program can:

produce detailed audience data for any list of daily and Sunday newspapers

provide data customized to any geographic or selected demographic definition

calculate reach, frequency, and frequency distribution estimates

CAN DO uses county building blocks to estimate audiences for all MSAs, ADIs, DMAs or customized areas contructed on whole county lines. And CAN DO provides estimates for the most important audience breaks--age, sex income, and household size.

If you wish to provide us with the total cost per insertion, CAN DO will give you specific cost-per-thousand information on your newspaper audience.

For further information, contact Susan Lorenzana at (212) 704-4555.

Generic Audience Data

Syndicated generic audience data for major demographic segments in the total U.S., top 50 and top 100 ADIs, and top 50 and top 100 MSAs is available in the NAB research report The 1988 Daily and Sunday Newspaper Audience. (Source: Mediamark Research Inc, 1988)

Number of Daily and Sunday Newspapers in the United States

Year	Morning	Evening	All Day	Total Daily	Sunday
1986	470	1,161	30	1,661	803
1987	479	1,134	32	1,645	820
1988	493	1,118	32	1,643	834

Circulation of Daily and Sunday Newspapers in the United States
(in millions)

Year		Morning	Evening	Total Daily	Sunday
1986		37.6	25.1	62.7	58.9
1987		39.1	23.7	62.8	60.1
1988	(Prelim.)	40.1	22.8	63.0	62.9

(Circulation of all-day newspapers is apportioned between "Morning" and "Evening".)

1987 Newspaper Data for Canada

	Morning	Evening	Total Daily	Sunday/ Weekend
Number of newspapers	32	82	112	22
Circulation (millions)	3.3	2.2	5.5	3.6

(Two all-day newspapers counted both in AM & PM columns, but only once in the total. Circulation for these papers is equally divided between AMs and PMs.)

How Much Do People Spend to Read Daily and Sunday Newspapers? 1987 Estimate of Annual Expenditures in the United States
(in billions of dollars)

Weekday	Sunday	Total
$5.56	$2.84	$8.40

Sources: SRDS, Editor and Publisher Yearbook; ABC; CARD.
Prepared by Newspaper Advertising Bureau, Inc.

The Future is on your Desktop

Here are some key facts about desktop publishing:

- Desktop publishing can be used by daily newspapers to generate new products like TMC, single-sheet and we-print products for advertisers — all sources of revenue for a newspaper. It can also be used by advertising and marketing departments to create sales presentations and proposals, market research reports and other promotional material.
- Desktop publishing decreases turnaround time for projects, saves money by reducing typesetting costs and gives the user greater control over the final product.
- Daily newspapers must find ways of creatively using developments in computer technology to improve their own marketing and sales efforts.

For further details, see our report ***Desktop Publishing: An Overview for Newspaper Advertising and Marketing Executives,*** Newspaper Advertising Bureau, 1989.

A more graphic demonstration of desktop publishing is available by obtaining a copy of our eight-page, full-color tabloid newspaper produced with desktop publishing technology. ***Desktop Publishing: How High Will It Fly?*** demonstrates how some newspapers throughout the country are using desktop publishing and how to apply it in advertising and marketing departments.

For more information, contact Jim Conaghan at 212-704-4558.

The Bureau's Electronic Sales Assistant (ESA) is a product designed to help the sales staff at medium to small-size newspapers produce customized, boilerplate sales presentations... quickly.

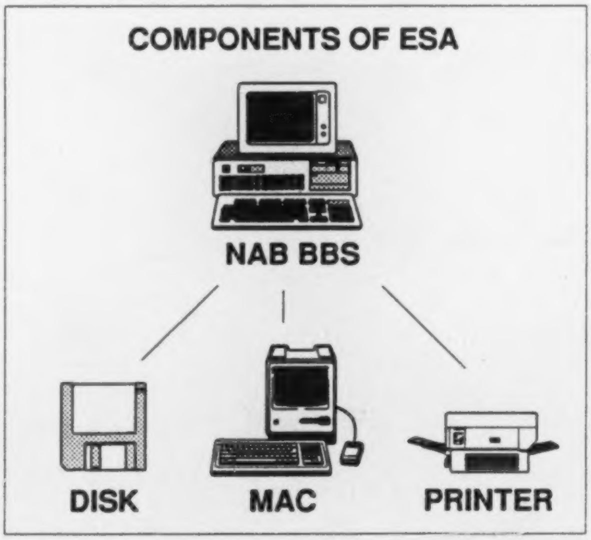
There are three basic components to the ESA project. These are:

- An electronic bulletin board to facilitate access to all the marketing intelligence resources of the Bureau, including summaries of market research reports, generic pro-newspaper arguments, category-specific sales arguments and competitive media information. ESA users will also have the option to order NAB print material, download information and data updates to their machine, or communicate online with the NAB ESA System Operator.

- A floppy disk containing templates into which the salesperson can place selected Bureau information obtained from the bulletin board together with information unique to the local market and essential for the particular sale.

- Finally, using a laserjet printer, sales staff can produce "at the push of a button", an attractively packaged print presentation based on the data they've personally inputted.

ESA is slated for launch in January, 1990. For more information about ESA, contact Jeanne Chin at 212-704-4546.


COMPONENTS OF ESA

NEWSPAPER - Heavy User Profile (vs TV Heavy User)

Demographic Segment	Top Quintile: Newspaper Index*	Top Quintile: Television Index*
Household income $60,000 or more	167	54
College graduate	164	56
Manager, administrator	160	54
Indiv. employment income $35,000 or more	153	52
Professional	144	37
Northeast Census region	143	90
Own home valued at $100,000 or more	141	72
Indiv. employment income $30,000-$34,999	138	54
Household income $50,000-$59,999	136	56
Age 45-54 years	134	86
One-three years college	124	76
Household income $40,000-$49,999	120	71
Technical, clerical, sales occupation	119	58
Household income $35,000-$39,999	117	84
Own home valued at $60,000-$99,999	111	90
Age 35-44 years	110	78
Suburban resident	110	94
Household income $30,000 - $34,999	101	92

Source: Mediamark Research Inc., Spring 1988

* Proportion of total adults in top quintile (20%) = 100.

Kinds of Newspaper Items and Advertising "Usually Read"

Editorial	Total Adults	Men	Women
News about local community	84%	84%	83%
International or world news	75	79	71
News briefs, summary of news	74	77	72
News about President, Congress	72	79	66
News about local politics, gov't.	69	74	65
News about economy, jobs, inflation	68	73	62
News about celebrities	65	56	74
TV program listings	60	58	62
Advice columns	59	43	73
Comic strips, "funnies"	58	60	56
Calendar of local events	57	52	61
Editorials, editor's opinions	55	53	58
Letters to the editor	55	51	58
Food pages	54	35	72
Investigative, in-depth articles	53	52	54
Sports news: local schools	53	63	43
Public opinion polls	52	54	50
Sports news: professional teams	51	72	32
Obituaries	50	43	57
Movie reviews	48	44	52
Fashion and lifestyle features	47	26	67
Business and financial news	46	57	36
Political opinion columns	45	48	41
Book reviews	27	21	32
Crossword puzzles	26	22	29
Advertising			
Supermarket ads	58%	40%	73%
Store ads for clothing	57	40	73
Movie ads	50	47	53
Help wanted classified	43	42	44
Real estate classified	31	34	28
Base: Total newspaper readers = 100%	(1,702)	(698)	(1,004)

Source: Response Analysis Corporation, 1987

ONE ORDER/ONE BILL

NAB's One-Order/One-Bill newspaper placement service provides advertisers and agencies with all the information needed on costs, specifications and availabilities to plan and execute any type of multi-newspaper ROP or insert program. For more information, call Jack Aldinger or Ted Knecht at (212) 704-4520/21. They will handle all paper work, make reservations, issue insertion orders, provide proof-of-performance tearsheets and forward payment to every newspaper on the schedule, billing you on one invoice.

Inserts can be distributed in nearly every daily and Sunday newspaper in the United States. Circulation achieved is more than 57 million daily and 59 million Sunday. Over 50% of all Sunday editions can distribute an insert in less than their full-run circulation, and more than 75% will accept a product sample attached to an insert. A similar proportion will accept an envelope, either empty or containing inserts or coupons.

Sizes are almost limitless. You can make an insert as large as anything that fits into the newspaper when folded, to 11" x 13", or as small as 5" x 7". Formats are equally varied: from a single page to a booklet of 96 pages or more. Inserts can be long or short and can include flaps, gatefolds, reply cards, coupons, perforations, fragrances, etc. Inserts can be printed on all types of paper, from ordinary newsprint to super-coated card stock.

Daily Newspaper Pages or Sections Usually Read

	Percent of Weekday Audience:		
	Adults	Men	Women
Usually read every page	64%	65%	63%
Read certain pages or sections	36	35	37
Business, finance	78	80	76
Classified	77	77	77
Comics	78	77	78
Editorial page	80	80	81
Food, cooking	78	73	83
General news	93	93	93
Home furnishings, improvement	77	73	80
Sports	79	87	72
TV, radio listings	76	75	78
Projected base: Average weekday audience (in 000s)	(113,178)	(55,619)	(57,559)

Source: Simmons Market Research Bureau, 1988 Study of Media & Markets.

Reach, Frequency and Gross Rating Points for Daily Newspapers at Varying Levels of Penetration

	Number of Weekday Issues:				
	One	Two	Three	Four	Five
Gross Rating Points	15	30	45	60	75
Net Reach	15%	19%	22%	23%	25%
Average Frequency	1.0	1.6	2.0	2.6	3.0
Gross Rating Points	20	40	60	80	100
Net Reach	20%	26%	29%	31%	33%
Average Frequency	1.0	1.6	2.1	2.6	3.0
Gross Rating Points	25	50	75	100	125
Net Reach	25%	32%	36%	39%	41%
Average Frequency	1.0	1.6	2.1	2.6	3.0
Gross Rating Points	30	60	90	120	150
Net Reach	30%	38%	43%	46%	48%
Average Frequency	1.0	1.6	2.1	2.6	3.1
Gross Rating Points	35	70	105	140	175
Net Reach	35%	45%	50%	54%	56%
Average Frequency	1.0	1.6	2.1	2.6	3.1
Gross Rating Points	40	80	120	160	200
Net Reach	40%	51%	57%	61%	64%
Average Frequency	1.0	1.6	2.1	2.6	3.1
Gross Rating Points	50	100	150	200	250
Net Reach	50%	64%	71%	75%	78%
Average Frequency	1.0	1.6	2.1	2.7	3.2

Estimates assume a turnover rate of 28%. Since reach and frequency patterns for individual newspapers vary, these estimates should be used only in the absence of local data.

For $10 per copy, postpaid, member newspapers and advertisers can obtain a 5 1/4" diskette that calculates reach and frequency up to 13 issues. It can be run on a Lotus 1-2-3[a] program installed on an IBM PC or compatible. To order, write Research Dept.; Newspaper Advertising Bureau; 1180 Avenue of Americas; New York, NY 10036.

a) Both Lotus and 1-2-3 are registered trademarks of Lotus Development Corporation.

Weekday Newspaper Readers-per-Copy in Top 50 ADIs

Total Adult Readers: Top 50 ADIs	2.62
Markets 1 - 10	2.76
Markets 11 - 25	2.61
Markets 26 - 50	2.56

Readers-per-Copy Estimates for Total U.S.

	Weekday	Sunday/Weekend
Adults	2.14	2.02
Men	1.08	0.98
Women	1.06	1.04

Sources: Estimate by Newspaper Advertising Bureau, based on MRI, Spring 1988; Circulation '87/'88

Source: Scarborough's 1987 Newspaper Audience Ratings Study.

For $10 per copy, postpaid, member newspapers and advertisers can obtain a 5 1/4" "AUDIMATE" diskette that estimates the size of weekday and Sunday audiences by sex, age, education, occupation and household income, based on circulation data and national readers-per-copy figures.

AUDIMATE can be run on an IBM PC or compatible with any spreadsheet program that can import the Lotus 1-2-3[a] format. To order, write Research Department; Newspaper Advertising Bureau; 1180 Avenue of Americas; New York, NY 10036.

(a) Both Lotus and 1-2-3 are registered trademarks of Lotus Development Corporation.

Research Information on Consumers and Readers

Newspaper Advertising Bureau supports an active research program. The Research Department uses custom surveys, syndicated research and secondary sources to meet the needs of advertisers, advertising agencies and member newspapers. As of January 1989, the Research Department's list of in-print publications numbers 140 reports, brochures and research notes.

The subject areas covered include:

newspaper readership and audience data,
ad readership,
classified advertising,
competitive media,
retail shopping,
sales effects of advertising.

Reports can be obtained through member newspapers. A current list of in-print research publications is available on request. For more information, call Audrey Townsend at (212) 704-4565.

Selected Retailers:	Ad Dollars as Percent of Sales
Amusement & recreation services (misc)	3.9%
Apparel & accessories stores	2.3
Auto & home supply stores	2.6
Automotive repair & service	4.0
Building material, hardware, garden	4.5
Cable television operators	1.9
Computer program & software services	3.5
Data processing services	1.2
Department stores	2.9
Drug & proprietary stores	1.6
Eating and drinking places	5.6
Educational services	5.0
Equipment rental & leasing	3.5
Furniture stores	7.2
Grocery stores	1.4
Health services	3.3
Hospitals	5.8
Hotels, motels, tourist courts	3.8
Household appliances	2.6
Jewelry stores	3.9
Mobile home dealers	1.6
Motion picture theaters	4.1
Newspaper publishing	3.9
Personal services	3.7
Photofinishing laboratories	1.8
Radio & TV stores	5.3
Real estate agents & managers	2.8
Security & commodity brokers	3.8
Shoe stores	3.2
Variety stores	2.2

Source: Schonfeld & Associates, as reported in
Advertising Age, October 24, 1988.

SHOPPING DAYS - General Merchandise

For men, the most popular day for general merchandise shopping is Saturday. For women, it's "no special day".

Day of Week Main Shopping Likely to Occur
(Women)

	Toiletries, Drugs	Clothing	Sheets, Towels, etc	Appliances	New Car
Monday............	7%	6%	5%	5%	6%
Tuesday...........	5	4	3	3	2
Wednesday.........	9	7	6	3	4
Thursday..........	15	5	5	3	4
Friday............	20	11	9	6	8
Saturday..........	16	34	32	33	27
Sunday............	2	2	3	3	3
No special day.....	25	31	35	43	45

(Men)

	Clothing	Appliances	New Car
Monday.............	5%	5%	8%
Tuesday............	4	4	2
Wednesday..........	6	5	4
Thursday...........	5	4	4
Friday.............	16	12	10
Saturday...........	42	42	39
Sunday.............	2	2	4
No special day......	19	26	29

Source: R. H. Bruskin Associates, The Bruskin Report, #128, October 1984.

Percent of This Week's Purchases Not Planned Last Week

	Percent Unplanned
Women's wear (average, all items)	86%
Men's wear	82
Children's, infants' wear	85
Stationery, gift items	76
Major appliances, TV, stereo	88
Furniture, furnishings	79
Household textiles, sewing items	85
Housewares and supplies	95
Sporting goods	85

Advertising Influence on Last Unplanned Purchase

	Saw or Heard Advertising		Source of Advertising
Total reporting unplanned purchase	41%	=	100%*
Newspaper			60%
Television			17
Direct Mail			15
Magazine			6
Radio			5
Something left at door			3
No answer			1

* Total exceeds 100% because of multiple answers.

Source: Response Analysis Corporation, 1982.

(For more details, see How America Shops and Buys, Newspaper Advertising Bureau, 1983.)

SPECIAL EVENTS - 1989/90 Promotion Calendar

Date	Day of Week	Event	NAB Contact
		1989	
July 1	Saturday	Canada Day (Canada)	
July 4	Tuesday	Independence Day	
Sept	Monday	Labor Day	
Sept 14/25	Thurs/Mon	Homefurnishings Week	Jeff Greene
Sept 17/24	Sun/Mon	Footwear/Accessories Week	Pat Thavenot
Sept 30	Saturday	Rosh Hashanah	
Oct 9	Monday	Columbus Day (observed)	
Oct 9	Monday	Thanksgiving Day (Canada)	
Oct 15/20	Sun/Fri	Man Power '90	Pat Thavenot
Oct 31	Tuesday	Halloween	
Nov 7	Tuesday	Election Day	
Nov 11	Saturday	Veterans Day	
Nov 12/19	Sun/Sun	Home Video Week	Pat Thavenot
Nov 23	Thursday	Thanksgiving Day	
Dec 23	Saturday	Hanukkah	
Dec 25	Monday	Christmas Day	
		1990	
Jan 1	Monday	New Year's Day	
Jan 15	Monday	Martin Luther King, Jr. Day	
Feb 12	Monday	Lincoln's Birthday	
Feb 14	Wednesday	Valentine's Day	
Feb 19	Monday	Presidents' Day	
March		National Frozen Food Month	Bob Gaines
Mar 17	Saturday	St. Patrick's Day	
Apr 15	Sunday	Easter Sunday	
May 13	Sunday	Mother's Day	
June 17	Sunday	Father's Day	

The "Future of Advertising" Project has launched industrywide programs to make advertising in newspapers easier and more efficient than ever before. Jerome Tilis, president of the Detroit Free Press and chairman of the Task Force on Standardization, reported the percentage of total daily circulation conforming to major recommendations as of April 1989:

- Standard Advertising Invoice	66%
- Elimination of minimum sizes for color ads	74%
- Standard contract language in SRDS listings	78%
- Offering repeat rates to national advertisers	60%
- Standardized volume discount levels	60%
- Standard Advertiser Codes	43%
- Stock tables island position	35%

The most recent standardization proposal involves the establishment of six recommended sizes for advertisements to be run in newspapers' weekend TV sections and magazines. The recommended ad sizes, called Television Magazine Advertising Units (TMAUs), are as follows (dimensions in inches):

7 x 10	(full magazine page)
7 x 5	(horizontal half page)
4 1/4 x 10	(vertical 2/3 page)
2 1/16 x 10	(vertical 1/3 page)
4 1/4 x 7	(TV Guide page)
4 1/4 x 3 1/2	(TV Guide horizontal half page)

TELEPHONE DIRECTORY - Who to Call at NAB

	Telephone	Fax Line
New York Office	(212) 921-5080	(212) 704-4616
Chicago Office	(312) 644-1290	(312) 644-2879
Dallas office	(214) 239-4380	(214) 404-0368
Detroit Office	(313) 642-9200	(313) 642-6922
Georgia Office	(404) 949-4833	(404) 949-9451
Los Angeles Office	(213) 480-0452	(213) 480-3805
San Francisco Office	(415) 981-8118	(415) 981-7161

Ad readership	Stu Tolley	704-4562
Advertising expenditures	Yannis Takos	704-4561
Advertising rates	Yannis Takos	704-4561
Automotive classified	Hugh Quinn	(313) 642-9200
Automotive sales	Bill Tausch	(313) 642-9200
CAN DO (local audience data)	Susan Lorenzana	704-4555
Classified, Outside Sales	Bob Scaife	(313) 642-9200
Color (ROP)	Thelma Anderson	704-4543
Competitive media	Charlotte Freschi	704-4551
Co-op sales (NCN)	Frank Hennessey	(312) 644-1290
Coupon information	Carolyn Eldred	704-4615
Demographic trends	Hank Khost	704-4552
Desktop publishing	Jim Conaghan	704-4558
Food retailers & manufacturers	Bob Gaines	704-4540
Information center	Ann Brady, Susan Hyer	704-4549
Inserts, preprints	Jack Aldinger, Ted Knecht	704-4520/1
Intermedia cost estimates	Uldis Grava	704-4550
Marketing services	Uldis Grava	704-4550

(Unless otherwise specified, area code is 212.)

(continued)

Mass merchandising	Jim Hollis	704-4533
Member orders: Promotion	Susan Harelick	704-4614
Member orders: Research	Audrey Townsend	704-4565
Membership services	Bill Solch	704-4530
National sales	Jim Wilson	704-4503
Newspaper circulation	Yannis Takos	704-4561
Newspaper features/sections	Dorothy Shea	704-4557
Newspaper readership	Chuck Lehman	704-4564
NEWSPLAN	Jim Wilson	704-4503
New technology	Peter Winter	704-4613
Non-subscriber products	Cathie Ullett	704-4610
One Order/One Bill	Jack Aldinger, Ted Knecht	704-4520/1
Public and media relations	Jim Dunaway	704-4547
Real Estate classified	Tony Marsella	704-4516
Recruitment advertising	Ira Gordon	704-4515
Retail Yellow Pages Workshop	Bob Scaife	(313) 642-9200
Retailing	Alfred Eisenpreis	704-4535
SAU^{TM}(Standard Adv. Units)	Charles Kinsolving	704-4544
Syndicated readership data	Chuck Lehman	704-4564
Telemarketing	Jeanie Enyart	704-4512
Total market coverage	Jack Aldinger	704-4521
Workshop/seminar information	Steve Van Osten	704-4527

(Unless otherwise specified, area code is 212.)

TIME SPENT READING - Daily Newspaper

Two national surveys conducted by independent research companies produced very similar estimates for the average time spent reading the daily newspaper.

	Average Time Spent Reading (minutes)	
Monday	1982	1987
Read one daily	38	38
Read two or more dailies*	61	61
Tuesday		
Read one daily	40	37
Read two or more dailies*	59	73
Wednesday		
Read one daily	38	40
Read two or more dailies*	59	56
Thursday		
Read one daily	42	41
Read two or more dailies*	72	74
Friday		
Read one daily	39	35
Read two or more dailies*	58	73
All Yesterday Readers	44	45

Sources: Audits & Surveys, Inc, 1982; Response Analysis Corporation, 1987: National samples of approximately 2,000 adults each were interviewed in person about various aspects of newspaper reading behavior. Interviews were equally distributed across the week, Tuesday through Saturday. The time spent reading a daily paper was determined for three dayparts.

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* Some variations in the time estimates for those reading two or more dailies reflect small bases on individual weekdays.

A8600-8.57 U 11/90

1989 Food Shopping Report

Shopping and Eating Out Patterns

Newspaper Advertising Bureau, Inc.
1180 Avenue of the Americas
New York, New York 10036
212 921-5080

1989 FOOD SHOPPING REPORT

Shopping and Eating Out Patterns

This is one of a series of marketing research reports prepared by the Newspaper Advertising Bureau, Inc., as a service to the newspaper business and its advertisers.

August 1989

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1989 FOOD SHOPPING REPORT

INTRODUCTION

Americans' food shopping and eating habits seem to be undergoing rapid changes. This panel survey was undertaken to update research conducted in July 1988, to check on short-term trends. A questionnaire on food shopping and dining out that was mailed to a panel of 5,000 Home Testing Institute households in the first week of June 1989 produced 3,820 returns before the cutoff date.[1] Approximately seven out of eight panelists were female household heads.

Information collected from the panel included personal food shopping habits; reasons for switching the food store where most shopping is done; frequency of shopping; the preparation of food shopping lists; recall of food advertising in newspapers during the past week; coupon use and sources for coupons; types of eating places patronized; and number of evening meals eaten out in the past month.

The Newspaper Advertising Bureau, Inc., developed the questionnaire, commissioned the field work and analyzed the data. The report was written by Charles Lehman of NAB's Research Department. The text and tables on the pages that follow detail the principal findings of this research.

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1) See "Description of Research", page 29, for further details.

How Do They Choose The Food Stores They Shop In?

As in the 1988 food survey, about half (49%) of the panelists reporting for their households say that they have one favorite food store where they do most of their shopping. However, a large minority (36%) report that they regularly shop in more than one store, while 12% usually go to the store that advertises the best specials (Table 1).

Households with a head under 30 years of age and those in which the female head is employed are most likely to depend on one favorite store. This suggests that some younger shoppers and working women may feel that saving time is more important than saving money. Households where the head is 65 years of age or older, and those that have only a male head are least likely to limit their shopping to one favorite store.

In every major demographic segment the most common practice is to use one favorite store for most food shopping. However, loyalty to a single food store may have a limited time span.

Table 1

Food Shopping Habits: Store Selection

	Usually Shop At: One Favorite Store	More Than One Store	Store Advertising Best Specials
Total respondents	49%	36%	12%
Age of household head:			
Under 30 years	56%	32%	10%
30-44 years	52	34	11
45-64 years	49	39	11
65 years or older	43	37	17
Census region:			
Northeast	51%	36%	10%
Midwest	48	36	13
South	50	34	14
West	48	39	11
Household size:			
One person	48%	34%	13%
Two persons	48	36	13
Three-four persons	51	37	11
Five or more persons	50	38	12
Household income:			
$40,000 and over	51%	38%	9%
$30,000 - $39,999	47	41	10
$20,000 - $29,999	51	35	12
$10,000 - $19,999	48	34	16
Under $10,000	49	32	16
Employment status of female head:			
Employed	52%	36%	10%
Not employed	47	35	16
No female head present	44	39	12

Note: Rows do not total 100% because "spur of the moment" responses (2% of total) and "no answer" (1%) have been excluded. Bases for all demographic segments are shown in the Appendix.

Store Switching is Common

The finding that half of all food shoppers have a favorite store where they usually shop implies a high level of store loyalty. Nevertheless, about one-quarter of the respondents (26%) report that, within the past year, they have switched the store where they do most of their food shopping (Table 2).

The level of switching is strongly related to the age of the household head. It is most prevalent (at 40%) where the household head is less than 30 years old. Conversely, where the household head is 65 years of age or older, only 18% report switching stores within the past year.

Most other demographic segments show only minor variations in the percentage who have switched their main food store within the past year, but switching may be somewhat more common in the South and West Census regions, where the average age of household heads is lowest.

Table 2

Percentage Switching Major Food Store in Past Year

	Percent
Total respondents	26%
Age of household head:	
Under 30 years	40%
30-44 years	32
45-64 years	23
65 years or older	18
Region:	
Northeast	22%
Midwest	25
South	29
West	29
Size of household:	
One person	21%
Two persons	26
Three-four persons	31
Five or more persons	29
Household income:	
$40,000 and over	28%
$30,000 - $39,999	26
$20,000 - $29,999	26
$10,000 - $19,999	27
Under $10,000	25
Employment status of female head:	
Employed	29%
Not employed	24
No female head of household	25

Note: Bases for all demographic segments are shown in the Appendix.

Three Out Of Ten Switch For Lower Prices

The questionnaire listed five specific reasons for switching stores, as well as "some other reason". Three out of ten (30%) of the homemakers who had switched stores said their main reason was that a different store offered lower prices (Table 3).

For 20% a household move was the main reason for changing stores, while nearly one in four (18%) switched because a new store had opened. Moving was the number-one reason for changing stores in households with heads under 30 years old, but moving becomes less and less a factor with advancing age.

A preference for a food store offering better service accounted for 10% of switches. Service may be somewhat more important in households with incomes of $30,000 or more, but in every major demographic segment "lower prices" outweighs "service" as the main reason for switching food stores.

Table 3

Main Reason for Switching Major Food Store

	Different Store Had Lower Prices	Moved	New Store Opened	Different Store Had Better Service
Total switching	30%	20%	18%	10%
Age of household head:				
Under 30 years	28%	34%	14%	6%
30-44 years	29	23	16	11
45-64 years	32	13	21	10
65 years or older	33	11	20	12
Census region:				
Northeast	29%	12%	24%	15%
Midwest	33	21	16	9
South	33	18	17	8
West	21	29	15	11
Size of Household:				
One person	25%	27%	12%	9%
Two persons	28	18	21	11
Three-four persons	34	18	17	8
Five or more persons	30	19	17	12
Household income:				
$40,000 and over	27%	20%	20%	12%
$30,000 - $39,999	25	18	20	15
$20,000 - $29,999	32	16	18	7
$10,000 - $19,999	35	22	15	8
Under $10,000	31	22	13	9
Employment status of female head:				
Employed	27%	22%	18%	10%
Not employed	34	13	19	10
No female head of household	29	31	10	8

Note: Rows do not total 100% because "got tired of my old store" (4% of total) and "some other reason" (19% of total) have been excluded. Bases for all demographic segments are shown in Appendix.

Almost Everyone Uses a Shopping List

In more than four out of five households (83%), homemakers make a shopping list before going on a major food-buying trip (Table 4). Households without a female head represent the only demographic group in which the use of a shopping list falls below 79%. This departure from the general pattern probably reflects the shifting roles of men in American society. Since our cultural traditions do not provide for training boys and young men as food shoppers, the finding that shopping lists are used in 68% of the households with no female head is impressive. When examining the use of food shopping lists, it is important to remember that these lists may be used for more than one purpose. Some food shoppers may limit the items on their list to immediate needs, while others may also use a list to remind themselves of special prices that are available only for a limited time.

Table 4

Percentage Who Make A Shopping List Before Major Food Shopping Trip

	Percent
Total respondents	83%
Age of household head:	
Under 30 years	82%
30-44 years	82
45-64 years	82
65 years or older	87
Census region:	
Northeast	82%
Midwest	85
South	82
West	85
Size of household:	
One person	79%
Two persons	86
Three-four persons	84
Five or more person	79
Household income:	
$40,000 and over	83%
$30,000 - $39,999	84
$20,000 - $29,999	83
$10,000 - $19,999	84
Under $10,000	82
Employment status of female head:	
Employed	83%
Not employed	89
No female head of household	68

Note: Bases for all demographic segments are shown in Appendix.

Most Food Shoppers Check Prices

Since "lower prices" is the most frequently checked reason for switching food stores, it is hardly surprising that four out of five food shoppers compare prices between stores (Table 5). Even in households lacking a female head, 73% of the panelists indicate that they compare prices between stores.

Though some shoppers use several sources, the most popular source for price comparisons is newspaper ads, checked by 49%. More than a third (36%) check prices in store circulars. Only 3% report that they get price information from TV advertising.

In addition to advertising media, 29% say that they compare prices in the stores. In-store price checking is most common (at 41%) when the household head is under 30 years of age. Most price comparisons made in this way would probably involve prevailing levels of store prices rather than advertised specials.

Table 5

Usual Source for Price Comparisons
Between Food Stores

	Newspaper Ads	Store Circulars	Prices in Stores	Don't Compare
Total respondents	49%	36%	29%	19%
Age of household head:				
Under 30 years	34%	25%	41%	21%
30-44 years	41	31	34	25
45-64 years	54	36	27	19
65 years or older	59	45	22	14
Census region:				
Northeast	43%	45%	24%	22%
Midwest	49	38	32	18
South	50	32	32	18
West	54	27	27	22
Size of household:				
One person	48%	33%	25%	22%
Two persons	53	39	30	18
Three-four persons	45	35	31	20
Five or more persons	51	36	33	15
Household income:				
$40,000 and over	46%	32%	30%	24%
$30,000 - $39,999	50	34	28	21
$20,000 - $29,999	49	36	29	20
$10,000 - $19,999	51	40	30	16
Under $10,000	51	38	28	15
Employment status of female head:				
Employed	45%	32%	32%	22%
Not employed	57	42	26	15
No female head of household	40	29	30	26

Note: Rows total more than 100% because of multiple mentions. "Some other way" (1% of total), "Look at TV ads" (3%) and "no answer" (1%) have been excluded from table. Bases for all demographic segments are shown in Appendix.

Newspaper Advertising Attracts Food Shoppers

Fully 85% of the panelists recall seeing supermarket or food ads in the newspaper within the past week (Table 6), though only 49% say that their usual source for price comparisons between stores is newspaper advertising (Table 5). As this discrepancy suggests, checking prices is not the only reason shoppers have for reading supermarket and food advertising in the newspaper.

The recall of food advertising in the newspaper is 79% or higher in every major demographic segment. Awareness of supermarket and food advertising in the newspaper tends to increase with the age of the household head, from 79% in the youngest households to 90% in those households where the head is 65 years of age or older.

Table 6

Percentage Recalling Supermarket or Food Ads In Daily Newspaper in Past Week

	Percentage
Total respondents	85%
Age of household head:	
Under 30 years	79%
30-44 years	81
45-64 years	88
65 years or older	90
Census region:	
Northeast	87%
Midwest	85
South	85
West	84
Size of household:	
One person	84%
Two persons	87
Three-four persons	85
Five or more persons	85
Household income	
$40,000 and over	86%
$30,000 - $39,999	86
$20,000 - $29,999	86
$10,000 - $19,999	84
Under $10,000	85
Employment status of female head:	
Employed	84%
Not employed	89
No female head of household	81

Note: Bases for all demographic segments are shown in Appendix.

They Average More Than Two Food Shopping Trips Per Week

Food shopping is no longer limited to one major shopping trip a week. Indeed, the multi-billion dollar convenience store business is built on "fill-in" shopping.

No matter how well planned the major food shopping trip may be, a household can unexpectedly run out of a food staple or develop a sudden appetite for something different. Between major food shopping trips and fill-in shopping, American households report an average of 2.3 food store trips per week (Table 7).

The number of trips per week tends to increase with the size of the household, from an average of 2.1 trips in one-person households to 2.8 trips in households of five or more persons. Households with no female head also report an above average figure of 2.6 trips per week.

Table 7

Average (Mean) Number of Trips per Week to Any Kind of Food Store

	Trips per Week
Total respondents	2.3
Age of household head:	
Under 30 years	2.4
30-44 years	2.4
45-64 years	2.4
65 years or older	2.1
Census region:	
Northeast	2.5
Midwest	2.2
South	2.3
West	2.3
Size of household:	
One person	2.1
Two persons	2.2
Three-four persons	2.5
Five or more persons	2.8
Household income:	
$40,000 and over	2.3
$30,000 - $39,999	2.4
$20,000 - $29,999	2.3
$10,000 - $19,999	2.3
Under $10,000	2.2
Employment status of female head:	
Employed	2.3
Not employed	2.2
No female head of household	2.6

Note: Bases for all demographic segments are shown in Appendix.

More Than Nine Out Of Ten Use Coupons

Virtually all (94%) of the food shoppers in this survey report that they make some use of cents-off coupons. More than half (54%) say that they "almost always" use them (Table 8). Even among shoppers from the youngest households, 90% use coupons at least once in a while.

The lowest level of coupon usage (83%) is found in households with no female head. The finding that so many of these households do use coupons suggests that male householders[1] are rapidly losing any reservations they may have had about coupon use.

The proportion who say that they almost always use coupons varies considerably among geographic regions, from 46% in the West to 64% in the Northeast.

---

1) 89% of these households consist of males only. (See Appendix Table A1.)

Table 8

Frequency of Coupon Use

	Almost Always	About Half The Time	Once in A While	Almost Never
Total respondents	54%	19%	20%	6%
Age of household head:				
Under 30 years	48%	20%	22%	10%
30-44 years	55	19	19	7
45-64 years	56	18	20	6
65 years or older	53	19	22	4
Census region:				
Northeast	64%	16%	15%	4%
Midwest	55	20	19	6
South	51	20	22	7
West	46	18	27	9
Size of Household:				
One person	46%	17%	25%	11%
Two persons	57	18	19	5
Three-four persons	58	19	18	5
Five or more persons	52	23	20	5
Household income:				
$40,000 and over	54%	20%	20%	6%
$30,000 - $39,999	54	19	21	6
$20,000 - $29,999	56	17	20	6
$10,000 - $19,999	54	19	20	6
Under $10,000	52	19	22	7
Employment status of female head:				
Employed	53%	20%	20%	6%
Not employed	58	18	20	3
No female head of household	44	17	22	15

Note: Rows may not total 100% because "no answers" have been excluded (1% of total). Bases for all demographic segments are shown in the Appendix.

Nine Out Of Ten Use Coupons From Newspapers

While a typical food shopper uses coupons from more than one source, the newspaper is the most popular source for coupons. Nine out of ten (90%) of the panelists in this survey use coupons from newspaper ads or inserts (Table 9). In every major demographic segment at least 87% report the use of food coupons from newspapers.

Shoppers get coupons from other sources as well, including store mailers and circulars (71%), magazines (51%), and in the store (25%). Coupon users in households with no female head are much less likely to get coupons from magazines (33%) but they are average in their use of coupons from newspapers (89%).

Table 9

Sources for Food Coupons Used

	Newspaper Ad, Insert	Mailer, Circular	Magazine	In Store	Another Way
Total respondents	90%	71%	51%	25%	8%
Age of household head:					
Under 30 years	87%	68%	48%	31%	10%
30-44 years	91	77	55	33	10
45-64 years	92	74	52	25	8
65 years or older	90	63	48	15	6
Census region:					
Northeast	91%	75%	53%	30%	9%
Midwest	92	74	52	31	7
South	90	67	53	20	8
West	88	67	46	20	8
Size of household:					
One person	88%	61%	40%	19%	7%
Two persons	91	71	53	24	8
Three-four persons	92	76	57	31	9
Five or more persons	90	76	57	32	9
Household income:					
$40,000 and over	91%	75%	50%	29%	8%
$30,000 - $39,999	92	72	54	26	8
$20,000 - $29,999	90	74	55	25	9
$10,000 - $19,999	90	69	51	24	9
Under $10,000	88	61	46	20	7
Employment status of female head:					
Employed	90%	75%	55%	29%	8%
Not employed	91	68	53	22	8
No female head of household	89	63	33	24	10

Note: Rows total more than 100% because of multiple mentions. "No answers" (1% of total responses) have been excluded from table. Bases for all demographic segments are shown in Appendix.

Is Eating Out Still "In"?

Data collected from panelists indicate that 25% to 30% of all evening meals eaten in America are not prepared at home. On average, respondents say that they eat out or use take-out food 8.3 times per month (Table 10), a drop from the 9.3 times per month reported in the 1988 survey. Almost all demographic groups show a decline in this statistic.

The questionnaire did not attempt to explore reasons for changes in the number of meals eaten outside the home, and the apparent decline in the 1989 figures may be somewhat misleading. However, all five listed alternatives to preparing meals at home[1] show some loss since 1988. Drops in disposable income and the increasing popularity of microwave ovens may be factors in this shift.

On average, those with household incomes of $40,000 and over eat out 9.0 times per month, compared with 7.2 times for those with incomes under $10,000. The highest level of eating out and using take-out food (11.0 times per month) is found in households that do not have a female head.

---

1) See Appendix Table A3 for the five categories.

Table 10

Evening Meals: Average (Mean) Number of Times per Month Food is Not Prepared at Home

	Average Number of Times
Total respondents	8.3
Age of household head:	
Under 30 years	10.0
30-44 years	8.9
45-64 years	8.2
65 years or older	6.9
Census region:	
Northeast	7.9
Midwest	8.5
South	8.7
West	8.4
Size of household:	
One person	9.1
Two persons	8.1
Three-four persons	8.2
Five or more persons	7.7
Household income:	
$40,000 and over	9.0
$30,000 - $39,999	8.8
$20,000 - $29,999	8.5
$10,000 - $19,999	7.8
Under $10,000	7.2
Employment status of female head:	
Employed	8.9
Not employed	6.7
No female head of household	11.0

Note: Figures shown in table are totals of individual means for five specific eating places, shown in Table A1 in the Appendix. Bases for all demographic segments are also shown in the Appendix.

Market Shares In The Eat Out/Take Out Business

If occasions when respondents dined at someone else's home are excluded,[1] this research indicates that American households patronize family restaurants, fast food burger places and other types of fast food outlets with roughly equal frequency (Table 11). Full-service restaurants are used only about half as often. (Respondents were not asked to limit their estimates to national chains, so these figures undoubtedly include local establishments and small regional chains.) The market shares of fast food outlets, family restaurants, and full-service restaurants show no change since the 1988 survey.

In individual segments of the market the picture is quite different: Fast food outlets get 69% of the business in the youngest households, but only 39% of the business in the oldest households. Fast food outlets are also more popular with large households. Both of these findings probably reflect the fondness of children for burgers and other fast foods, and the greater price consciousness that exists in larger households.

As might be expected, those in the highest household income bracket are most likely to dine out in full-service restaurants. In at least one segment--households with heads who are 65 years of age or older--family restaurants are patronized more often than all types of fast food outlets combined.

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1) Table A3 in the Appendix shows the individual means for all eat out/take out occasions, including dining out at someone else's home.

Table 11

Share of Market* for Restaurants and Fast Food Outlets, by Type

	Fast Food, Total	Fast Food, Burger	Fast Food, Other	Family Rest.	Full Serv. Rest.
Total respondents	56%	28%	28%	29%	14%
Age of household head:					
Under 30 years	69%	36%	33%	21%	10%
30-44 years	67	33	34	22	11
45-64 years	50	24	26	35	16
65 years or older	39	20	19	42	20
Census region:					
Northeast	52%	22%	30%	31%	18%
Midwest	57	30	27	30	13
South	60	31	29	30	14
West	56	27	29	30	14
Household size:					
One person	50%	25%	25%	33%	16%
Two persons	51	26	25	33	16
Three-four persons	64	31	33	25	11
Five or more persons	68	35	33	21	11
Household income:					
$40,000 and over	50%	22%	28%	32%	18%
$30,000 - $39,999	57	28	29	29	14
$20,000 - $29,999	57	29	28	29	14
$10,000 - $19,999	60	31	29	29	11
Under $10,000	65	37	28	27	8
Employment status of female head:					
Employed	61%	30%	31%	27%	13%
Not employed	51	26	25	34	15
No female head of household	53	25	28	30	17

* The four types of eating places listed = 100%. "Share of market" figures do not take into account cafeterias, ethnic restaurants, diners, or other types. Base is number of "commercial" eating out/take out occasions, as shown in Appendix Table A2.

APPENDIX

DESCRIPTION OF RESEARCH

The Newspaper Advertising Bureau commissioned this research in order to update information on food shopping issues, including store loyalty, store switching, use of a shopping list, number of food shopping trips per week, sources for price comparisons and coupons, and patronage of restaurants and fast food outlets.

Home Testing Institute diary panel members are carefully instructed in responding for their households. In some respects, then, the data are collected from households rather than individuals, and in fact, the HTI panels are balanced on household characteristics. The HTI respondent in most cases is the female head of the household. However, 13% of the HTI households used for this survey have no female head.

During the first week of June 1989, Home Testing Institute fielded a self-administered Insta-Vue Questionnaire to 5,000 nationally representative households previously coded on the basis of their nutritional attitudes and behavior. When the study was closed for tabulation on June 28, 1989, 3,820 completed questionnaires had been received, for a response rate of 76%.

Table A1

Respondent Bases

	Total Number	Total Switching Food Stores
Total respondents	3,820	1,004
Age of household head:		
Under 30 years	450	178
30-44 years	1,143	368
45-64 years	1,183	267
65 years or older	1,044	191
Census region:		
Northeast	860	191
Midwest	1,073	267
South	1,208	347
West	679	199
Household size:		
One person	970	204
Two persons	1,294	331
Three-four persons	1,206	368
Five or more persons	350	101
Household income:		
$40,000 and over	1,037	285
$30,000 - $39,999	573	147
$20,000 - $29,999	730	187
$10,000 - $19,999	951	255
Under $10,000	529	130
Employment status of female head:		
Employed	1,835	529
Not employed	1,501	355
No female head of household[a]	484	120

(All bases shown are unweighted.)

a) Among these households, 430 consist of males only, while 54 are households in which two or more females share responsibilities.

Table A2

Bases for Eating Out, Take-out Occasions

	Total Occasions	Commercial[a] Occasions
Total	27,687	24,265
Age of household head:		
Under 30 years	4,213	3,603
30-44 years	9,393	8,244
45-64 years	8,525	7,714
65 years or older	5,556	4,704
Census region:		
Northeast	5,930	5,138
Midwest	7,926	7,065
South	8,927	7,792
West	4,904	4,270
Household size:		
One person	7,191	6,049
Two persons	9,001	7,968
Three-four persons	9,066	8,035
Five or more persons	2,429	2,213
Household income:		
$40,000 and over	8,433	7,547
$30,000 - $39,999	4,435	3,963
$20,000 - $29,999	5,475	4,834
$10,000 - $19,999	6,223	5,387
Under $10,000	3,121	2,534
Employment status of female head		
Employed	14,731	13,118
Not employed	8,410	7,208
No female head in household	4,546	3,939

a) Figures in this column exclude "someone else's home".

Table A3

Evening Meals: Eating Out and Use of Take-out Food
(Mean number of times per month, by type)

	Average Number of Times:				
	Fast Food, Burger	Fast Food, Other	Family Rest.	Full Service Rest.	Someone Else's Home
Total respondents	2.0	2.0	2.1	1.1	1.1
Age of household head:					
Under 30 years	3.0	2.7	1.9	0.9	1.5
30-44 years	2.5	2.6	1.7	0.9	1.2
45-64 years	1.8	1.8	2.5	1.2	0.9
65 years or older	1.2	1.1	2.3	1.2	1.1
Census region:					
Northeast	1.5	2.0	2.1	1.2	1.1
Midwest	2.2	2.0	2.2	1.1	1.0
South	2.3	2.1	2.1	1.0	1.2
West	2.0	2.1	2.1	1.1	1.1
Size of household:					
One person	1.9	2.0	2.4	1.3	1.5
Two persons	1.8	1.8	2.3	1.2	1.0
Three-four persons	2.2	2.3	1.8	0.9	1.0
Five persons	2.4	2.2	1.5	0.8	0.8
Household income:					
$40,000 and over	1.8	2.2	2.5	1.5	1.0
$30,000 - $39,999	2.2	2.2	2.2	1.2	1.0
$20,000 - $29,999	2.1	2.1	2.1	1.1	1.1
$10,000 - $19,999	2.1	1.9	1.9	0.8	1.1
Under $10,000	2.1	1.6	1.6	0.5	1.4
Employment status of female head:					
Employed	2.3	2.3	2.1	1.1	1.1
Not employed	1.5	1.4	1.9	0.9	1.0
No female head in household	2.4	2.8	2.7	1.7	1.4

QUESTIONNAIRE

1. Which statement best describes your personal food shopping habits? ("X" ONE ONLY)

I have one favorite store where I usually shop..................( )
I regularly shop at more than one store.........................( )
I usually go to the store that advertises the best specials......( )
I choose the store I shop in on the spur of the moment...........( )

2a. In the past year or so, have you switched the store where you do most of your shopping?

Yes ( ) (Continue)
No ( ) (Skip to Q.3)

2b. What was your main reason for switching stores? ("X" ONE ONLY)

I (we) moved...( )
A new store opened...................................( )
Got tired of my old store............................( )
A different store offered lower prices...............( )
A different store offered better service.............( )
Some other reason....................................( )

3. Before going on a major food shopping trip, do you usually make a shopping list?

Yes ( )
No ( )

4. How do you usually go about comparing prices between food stores?

Look at newspaper ads..( )
Look at TV ads.........( )
Read store circulars...( )
Check prices in stores.........( )
Some other way.................( )
I do not compare store prices..( )

5. Counting both major food shopping and fill-in shopping, about how many trips per week do you make to any kind of food store (including supermarkets, convenience stores, health food stores, etc.)? ("X" ONE ONLY)

One trip....( )
Two trips...( )
Three trips....( )
Four trips.....( )
Five trips........( )
Six or more trips.( )

6. How often do you use coupons when you shop?

Almost always.......( )
About half the time.( )
Once in a while.......( )
Almost never..........( )

7. When you use coupons, where do you get them? ("X" ALL THAT APPLY)

Newspaper or newspaper inserts..( )
Magazine........................( )

Mailer or circular..( )
In the store........( )
Other...............( )

8. For your evening meal, about how many times per month do you do the following, either alone or with your family? (Write in one number of each. If none, write 0.)

Times
Per Month

Eat at or take out from a fast food burger place............________
Eat at or take out from other type of fast food place:
chicken, taco, seafood, pizza, etc.......................________
Eat out in a family restaurant..............................________
Dine out in a fine restaurant with full service.............________
Dine out at someone else's home.............................________

9. On how many of the past five weekdays (Monday through Friday) did you read or look at a daily newspaper? (Circle one number only)

0 1 2 3 4 5

10. During the past week, do you recall seeing any supermarket or other food ads in a daily newspaper?

Yes ( ) No ( )

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Daily Newspaper Page Opening

Pages and Sections Usually Read

Newspaper Advertising Bureau, Inc.
1180 Avenue of the Americas
New York, New York 10036
212 921-5080

DAILY NEWSPAPER PAGE OPENING

Pages and Sections Usually Read

August 1989

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PREFACE

This report is designed to answer questions frequently asked by many advertisers and agencies: How can we best use the newspaper to reach our target audience? What is the likelihood that men 35 to 44 will come face-to-face with our ad in the sports pages? How many women who are professionals and managers scan the business pages?

The figures in the report are from the 1989 Study of Media & Markets by Simmons Market Research Bureau. They were obtained in personal interviews with a multi-stage area probability sample of more than 19,000 adults.

CONTENTS

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A NOTE ON METHOD	vii

Page Opening and Pages or Sections Usually Read by:	Table Number for: Adults	Men	Women
Total Average Weekday Audience	1	1	1
Age	2	3	4
Education	5	6	7
Household Income	8	9	10
Occupation	11	12	13
Marital Status	14	-	-
Number of People in Household	15	-	-
Locality Type	16	-	-
Census Region	17	-	-
Selective Readers:			
Percent Reading Listed Pages/Sections	18	18	18
Readership Index, by Sex	19	19	19
Readership Index, by Age	20	-	-
Readership Index, by Education	21	-	-
Readership Index, by Household Income	22	-	-
Readership Index, by Occupation	23	-	-
Readership Index, by Locality Type	24	-	-

A NOTE ON METHOD

Measures of media exposure vary with the approach to measurement, whether the medium in question is print or broadcast. For this reason, users of media exposure figures should understand exactly how the data are collected.

The figures in this report were obtained as follows: For each daily newspaper reported read within the past seven days, respondents in the 1989 SMRB sample were asked:

> "When you read or look into (NAME NEWSPAPER), do you generally read or look at every page of the entire newspaper, or do you tend to read or look at only some pages or sections?"

Those who say that they read or look at "only some pages or sections" were shown a card listing ten categories of content carried by the great majority of daily newspapers, as shown in the tables following, and asked:

> "Which of the numbers on this card describe the pages or sections in (NAME NEWSPAPER) you generally read or look at?"

The most important finding emerging from this approach is that more than six out of ten adult readers (61%)[1] indicate that they usually scan every page of the newspaper they read. This does not mean that they read

---

1) Research by Response Analysis Corporation (1987) reported that 65% of adult readers scan "almost every page" or "most pages".

every item, but since the human eye is a very efficient scanning device,they have the opportunity to be exposed to any editorial or advertising content appearing in the issue.

In a 1987 study conducted by Response Analysis Corporation, a nationwide sample of adults was taken through randomly selected pages of newspapers read on the day before the interview. This approach to measuring the opportunity for exposure estimated average page opening at 67%—that is, the average page (or spread) in a daily newspaper is opened by 67% of all adults reading the issue.

Within any given demographic segment the figures shown in Tables 1 through 17 may reasonably be assumed to show the relative level of interest in a specific kind of content. However, any differences found between demographic segments should be interpreted with caution, because the major factor in most of these differences is the percentage who report reading "every page". For example, Table 2 might appear to suggest that adults who are 65 or older are just as interested in the sports pages as young adults between 18 and 24 are. This is mainly because older readers are much more likely to report reading every page.

In Table 16, the percentages who "usually read every page" reflect the fact that most of the dailies read in central cities have more pages than those read in non-metropolitan areas. Large central city newspapers also have more specialized pages and sections designed to appeal to fairly narrow audience segments. The Audits and Surveys study cited earlier indicates that the average central city reader may actually open to more pages than the average non-metropolitan reader has in his entire newspaper.

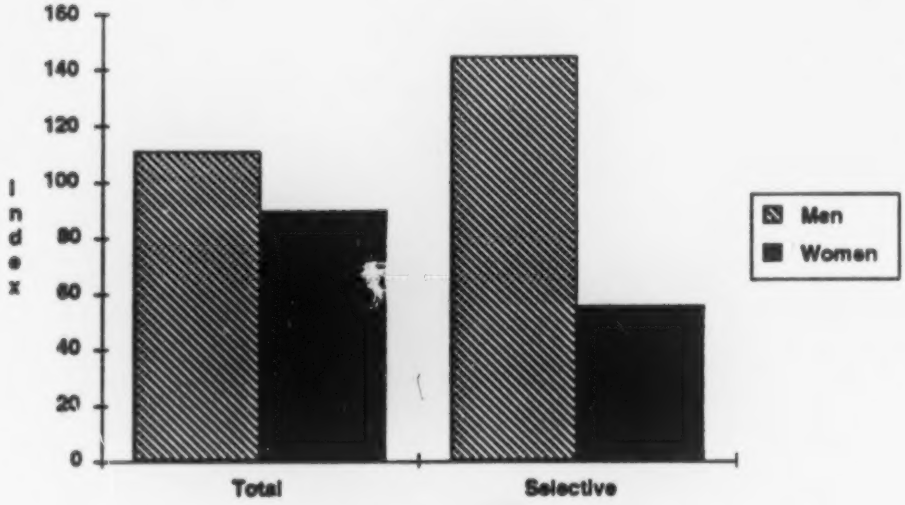
Selective Readers

The minority who were directly questioned by SMRB's interviewers about specific kinds of content might be described as "selective readers". The figures obtained from this group represent a more rigorous measure of readership.

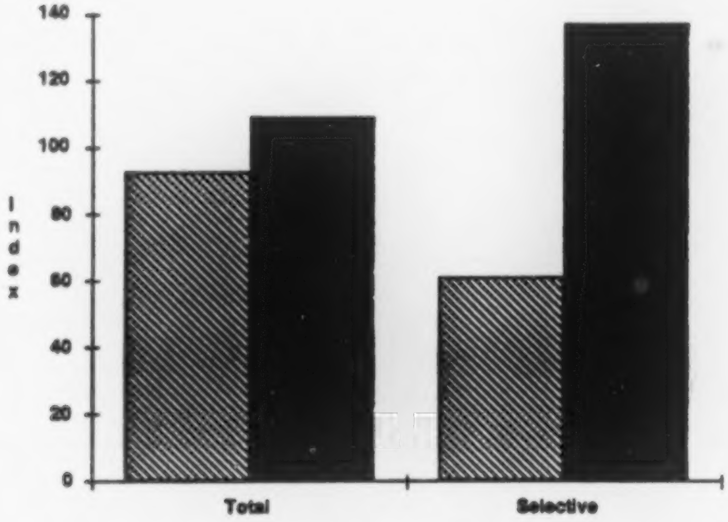
Table 18 shows the percentage of selective readers who specifically report that they usually read the listed types of content. Table 19 presents the same information for total adults, men and women in index form. Tables 20 through 24 show index figures for selective readers by age, education, household income, occupation, and locality type.

Page opening (or "total reader") percentages can be converted to an index, as shown in the chart on page xi. Comparing the index figures for men and women for sports pages and food/cooking pages, it is clear that the selective reader index makes a much sharper distinction between the sexes.

TOTAL READER VS SELECTIVE READERS



SPORTS PAGES



FOOD PAGES

For judgments about differences in interest levels among demographic segments, the "selective reader" figures shown in Tables 18 through 24 may be a useful benchmark, even though these figures are based on less than half of the total sample. In contrast to the figures in Table 2, the sports category in Table 20 show an index of 117 for selective readers 18 to 24 years of age versus an index of 88 for those who are 65 or older.

Some apparent differences among selective readers may be related to differences in the newspapers they read. For example, readers in non-metropolitan areas show a lower index for several content categories (Table 27) but some of these readers may not have the opportunity to read certain categories because small-circulation newspapers tend to have fewer specialized pages.

Although different approaches to measuring the elusive concept called "readership" may yield very different results, divergent findings can be equally valuable so long as the user understands exactly how those results were obtained and what they imply.

Table 1

Types of Daily Newspaper Pages or Sections Usually Read
(Total adult readers, by sex)

	Adults	Men	Women
Usually read every page	61%	62%	61%
Read certain pages or sections	39	38	39
Business, finance	76	78	74
Classified	76	76	77
Comics	75	75	76
Editorial page	80	78	81
Entertainment	81	78	85
Food, cooking	76	71	83
General news	94	94	95
Home furnishings, gardening	74	71	79
Sports	79	88	71
TV, radio listings	76	74	78
Projected base: Average weekday audience (in 000s)	(113,337)	(56,018)	(57,319)

Source: SMRB, 1989 Study of Media & Markets

Table 2

Types of Daily Newspaper Pages or Sections Usually Read
(Adult readers, by age)

	18-24 Years	25-34 Years	35-44 Years	45-54 Years	55-64 Years	65 Yrs & Over
Usually read every page	50%	58%	62%	63%	66%	69%
Read certain pages or sections	50	42	38	37	34	31
Business, finance	64	74	77	80	81	81
Classified	71	76	78	77	79	78
Comics	73	74	74	74	78	80
Editorial page	69	76	81	83	86	86
Entertainment	77	80	82	82	84	84
Food, cooking	65	73	78	80	83	85
General news	89	93	95	97	96	96
Home furnishings, improvement	63	71	77	78	81	82
Sports	77	78	80	80	81	82
TV, radio listings	66	73	77	78	80	83
Projected base: Average Weekday Audience (in 000s)	(14,664)	(25,171)	(22,973)	(16,415)	(15,199)	(18,916)

Source: SMRB, 1989 Study of Media & Markets

Table 3

Types of Daily Newspaper Pages or Sections Usually Read
(Men readers, by age)

	18-24 Years	25-34 Years	35-44 Years	45-54 Years	55-64 Years	65 Yrs & Over
Usually read every page	50%	59%	64%	64%	65%	69%
Read certain pages or sections	50	41	36	36	35	31
Business, finance	66	77	80	82	83	83
Classified	69	76	79	77	79	78
Comics	72	73	74	74	75	80
Editorial page	67	75	81	82	86	86
Entertainment	74	77	79	78	80	82
Food, cooking	60	68	73	73	77	80
General news	87	93	94	97	96	96
Home furnishings, gardening	56	69	72	70	79	77
Sports	85	88	88	88	91	88
TV, radio listings	64	73	75	73	81	82
Projected base: Average weekday audience (in 000s)	(7,764)	(13,146)	(11,526)	(8,010)	(7,234)	(8,340)

Source: SMRB, 1989 Study of Media & Markets

Table 4

Types of Daily Newspaper Pages or Sections Usually Read
(Women readers, by age)

	18-24 Years	25-34 Years	35-44 Years	45-54 Years	55-64 Years	65 Yrs & Over
Usually read every page	49%	57%	60%	61%	61%	69%
Read certain pages or sections	51	43	40	39	39	31
Business, finance	63	71	73	77	76	80
Classified	73	76	77	77	75	77
Comics	74	75	74	75	75	80
Editorial page	71	77	81	84	81	86
Entertainment	82	84	85	86	83	86
Food, cooking	72	79	82	86	85	89
General news	90	93	95	97	93	96
Home furnishings, gardening	66	75	81	83	81	85
Sports	65	67	70	72	71	76
TV, radio listings	69	74	77	81	78	84
Projected base: Average weekday audience (in 000s)	(6,900)	(12,025)	(11,447)	(8,405)	(7,966)	(10,577)

Source: SMRB, 1989 Study of Media & Markets

Table 5

Types of Daily Newspaper Pages or Sections Usually Read
(Adult readers, by education)

	College Graduate	1-3 Yrs College	High School Graduate	Some High School or Less
Usually read every page	62%	61%	62%	58%
Read certain pages or sections	38	39	38	42
Business, finance	84	77	74	70
Classified	77	76	77	75
Comics	75	77	75	73
Editorial page	84	79	80	76
Entertainment	83	82	83	76
Food, cooking	77	76	79	75
General news	97	95	94	91
Home furnishings, gardening	77	74	77	72
Sports	80	79	80	76
TV, radio listings	76	75	77	75
Projected base: Average weekday audience (in 000s)	(24,607)	(23,048)	(45,952)	(19,731)

Source: SMRB, 1989 Study of Media & Markets

Table 6

Types of Daily Newspaper Pages or Sections Usually Read
(Men readers, by education)

	College Graduate	1-3 Yrs College	High School Graduate	Some High School or Less
Usually read every page	64%	62%	62%	57%
Read certain pages or sections	36	38	38	43
Business, finance	87	80	76	69
Classified	78	76	77	73
Comics	75	76	75	71
Editorial page	84	79	79	74
Entertainment	80	78	79	72
Food, cooking	74	69	73	67
General news	97	94	92	91
Home furnishings, gardening	73	70	72	67
Sports	87	90	89	85
TV, radio listings	74	73	75	72
Projected base: Average weekday audience (in 000s)	(14,261)	(11,197)	(21,047)	(9,512)

Source: SMRB, 1989 Study of Media & Markets

Table 7

Types of Daily Newspaper Pages or Sections Usually Read
(Women readers, by education)

	College Graduate	1-3 Yrs College	High School Graduate	Some High School or Less
Usually read every page	61%	60%	62%	59%
Read certain pages or sections	39	40	38	41
Business, finance	79	75	73	71
Classified	76	76	77	77
Comics	76	78	76	74
Editorial page	84	80	81	77
Entertainment	88	86	86	79
Food, cooking	82	82	84	82
General news	97	96	95	91
Home furnishings, gardening	81	77	81	77
Sports	71	70	72	68
TV, radio listings	78	77	79	77
Projected base: Average weekday audience (in 000s)	(10,345)	(11,851)	(24,904)	(10,218)

Source: SMRB, 1989 Study of Media & Markets

Table 8

Types of Daily Newspaper Pages or Sections Usually Read
(Adult readers, by household income)

	$50,000 & Over	$40,000 & Over	$30,000 & Over	$20,000-$29,999	Under $20,000
Usually read every page	62%	61%	61%	62%	60%
Read certain pages or sections	38	39	39	38	40
Business, finance	82	80	79	76	72
Classified	76	76	76	77	77
Comics	76	75	75	76	76
Editorial page	82	81	80	81	79
Entertainment	84	84	83	81	79
Food, cooking	77	77	77	79	77
General news	96	95	95	95	92
Home furnishings, gardening	77	76	76	76	74
Sports	82	81	80	79	77
TV, radio listings	75	75	75	77	77
Projected base: Average weekday audience (in 000s)	(23,671)	(39,866)	(60,268)	(21,652)	(31,416)

Source: SMRB, 1989 Study of Media & Markets

Table 9

Types of Daily Newspaper Pages or Sections Usually Read
(Men readers, by household income)

	$50,000 & Over	$40,000 & Over	$30,000 & Over	$20,000-$29,999	Under $20,000
Usually read every page	63%	62%	62%	63%	61%
Read certain pages or sections	37	38	38	37	39
Business, finance	86	83	81	76	73
Classified	77	77	77	77	75
Comics	76	75	74	76	75
Editorial page	82	81	80	79	78
Entertainment	82	80	79	77	77
Food, cooking	73	72	71	73	71
General news	96	95	96	95	91
Home furnishings, gardening	73	72	71	72	70
Sports	91	89	88	87	87
TV, radio listings	73	73	73	75	75
Projected base: Average weekday audience (in 000s)	(13,158)	(21,752)	(31,943)	(10,865)	(13,209)

Source: SMRB, 1989 Study of Media & Markets

Table 10

Types of Daily Newspaper Pages or Sections Usually Read
(Women readers, by household income)

	$50,000 & Over	$40,000 & Over	$30,000 & Over	$20,000-$29,999	Under $20,000
Usually read every page	61%	60%	61%	62%	60%
Read certain pages or sections	39	40	39	38	40
Business, finance	78	76	76	75	72
Classified	74	74	76	78	78
Comics	75	75	76	76	77
Editorial page	81	81	81	82	79
Entertainment	88	88	87	86	81
Food, cooking	83	83	83	85	82
General news	96	95	96	95	93
Home furnishings, gardening	81	81	81	80	77
Sports	72	72	72	71	69
TV, radio listings	77	78	78	78	79
Projected base:					
Average weekday audience (in 000s)	(10,513)	(18,115)	(28,325)	(10,787)	(18,207)

Source: SMRB, 1989 Study of Media & Markets

Table 11

Types of Daily Newspaper Pages or Sections Usually Read
(Adult readers, by occupation)

	Professional, Manager	Technical, Clerical, Sales	Precision, Craft	Other Employed	Not Employed
Usually read every page	63%	60%	60%	58%	63%
Read certain pages or sections	37	40	40	42	37
Business, finance	84	75	74	70	76
Classified	77	76	76	75	77
Comics	75	75	74	73	77
Editorial page	84	80	76	74	82
Entertainment	84	83	75	77	83
Food, cooking	77	77	70	72	81
General news	97	95	93	92	94
Home furnishings, gardening	77	75	69	70	79
Sports	80	78	88	80	78
TV, radio listings	75	76	73	72	79
Projected base: Average weekday audience (in 000s)	(21,907)	(24,607)	(8,669)	(17,574)	(40,580)

Source: SMRB, 1989 Study of Media & Markets

Table 12

Types of Daily Newspaper Pages or Sections Usually Read
(Men readers, by occupation)

	Professional, Manager	Technical, Clerical, Sales	Precision, Craft	Other Employed	Not Employed
Usually read every page	64%	61%	59%	58%	64%
Read certain pages or sections	36	39	41	42	36
Business, finance	87	79	74	71	79
Classified	78	75	75	74	78
Comics	75	74	73	72	77
Editorial page	83	81	76	73	81
Entertainment	80	79	75	75	79
Food, cooking	75	71	69	67	74
General news	97	95	93	90	93
Home furnishings, gardening	74	72	68	67	74
Sports	86	90	89	86	88
TV, radio listings	74	75	73	71	76
Projected base: Average weekday audience (in 000s)	(12,715)	(9,197)	(8,040)	(11,034)	(15,032)

Source: SMRB, 1989 Study of Media & Markets

Table 13

Types of Daily Newspaper Pages or Sections Usually Read
(Women readers, by occupation)

	Professional, Manager	Technical, Clerical, Sales	Other Employed	Not Employed
Usually read every page	61%	59%	58%	62%
Read certain pages or sections	39	41	42	38
Business, finance	79	73	70	75
Classified	77	77	77	77
Comics	76	75	74	78
Editorial page	84	79	77	82
Entertainment	88	86	81	85
Food, cooking	81	81	81	85
General news	96	95	94	94
Home furnishings, gardening	81	77	76	82
Sports	72	70	68	68
TV, radio listings	78	77	74	80
Projected base: Average weekday audience (in 000s)	(9,192)	(15,410)	(7,169)	(25,549)

Source: SMRB, 1989 Study of Media & Markets

Table 14

Types of Daily Newspaper Pages or Sections Usually Read
(Adult readers, by marital status)

	Single	Married	Widowed, Divorced, Separated
Usually read every page	54%	63%	63%
Read certain pages or sections	46	37	37
Business, finance	69	78	78
Classified	74	79	78
Comics	74	75	79
Editorial page	74	81	82
Entertainment	80	82	83
Food, cooking	70	78	82
General news	91	95	94
Home furnishings, gardening	67	77	79
Sports	79	80	76
TV, radio listings	70	77	79
Projected base: Average weekday audience (in 000s)	(23,359)	(70,618)	(19,360)

Source: SMRB, 1989 Study of Media & Markets

Table 15

Types of Daily Newspaper Pages or Sections Usually Read
(Adult readers, by number of people in household)

	One	Two	Three-Four	Five or More
Usually read every page	65%	64%	59%	58%
Read certain pages or sections	35	36	41	42
Business, finance	79	79	75	72
Classified	77	78	75	77
Comics	77	77	74	74
Editorial page	84	83	79	76
Entertainment	85	82	81	79
Food, cooking	83	80	75	73
General news	95	96	94	91
Home furnishings, gardening	80	78	74	71
Sports	80	79	79	79
TV, radio listings	80	78	75	72
Projected base: Average weekday audience (in 000s)	(13,344)	(38,166)	(45,357)	(16,470)

Source: SMRB, 1989 Study of Media & Markets

Table 16

Types of Daily Newspaper Pages or Sections Usually Read
(Adult readers, by locality type)

	Central City	Metro-Suburban	Non-Metropolitan
Usually read every page	57%	63%	64%
Read certain pages or sections	43	37	36
Business, finance	71	79	78
Classified	72	78	81
Comics	73	76	79
Editorial page	81	80	78
Entertainment	82	83	78
Food, cooking	77	79	75
General news	94	95	93
Home furnishings, gardening	75	76	74
Sports	79	80	79
TV, radio listings	77	75	76
Projected base: Average weekday audience (in 000s)	(36,508)	(54,340)	(22,489)

Source: SMRB, 1989 Study of Media & Markets

Table 17

Types of Daily Newspaper Pages or Sections Usually Read
(Adult readers, by Census region)

	Northeast	Midwest	South	West
Usually read every page	73%	64%	53%	55%
Read certain pages or sections	27	36	47	45
Business, finance	78	77	78	70
Classified	79	77	78	70
Comics	82	79	68	75
Editorial page	90	79	74	78
Entertainment	93	81	77	75
Food, cooking	81	75	73	70
General news	97	95	91	95
Home furnishings, gardening	90	75	69	68
Sports	90	81	73	75
TV, radio listings	92	77	68	67
Projected base: Average weekday audience (in 000s)	(26,557)	(28,590)	(35,283)	(22,906)

Source: SMRB, 1989 Study of Media & Markets

Table 18

Percentage of Selective Readers Reading Listed Pages/Sections
(by sex)

	Adults	Men	Women
Business, finance	38%	42%	34%
Classified advertising	38	37	40
Comics	35	32	38
Editorial page	47	44	50
Entertainment	51	41	61
Food, cooking	40	25	55
General news	83	80	85
Home furnishings, gardening	36	24	47
Sports	45	65	25
TV, radio listings	37	31	43
Projected base: Selective reader audience (in 000s)	(45,445)	(22,335)	(23,110)

Source: SMRB, 1989 Study of Media & Markets

Table 19

Readership Index for Selective Readers[a]
(by sex)

	Adults	Men	Women
Business, finance	100	110	90
Classified advertising	100	96	104
Comics	100	91	108
Editorial page	100	94	106
Entertainment	100	80	119
Food, cooking	100	61	137
General news	100	97	103
Home furnishings, gardening	100	67	132
Sports	100	145	56
TV, radio listings	100	83	117
Projected base: Selective reader audience (in 000s)	(45,445)	(22,335)	(23,110)

Source: SMRB, 1989 Study of Media & Markets

a) HOW TO READ: The first row of figures indicates that men are 10% more likely than the average selective reader to read "Business, finance" pages, whereas women are 10% less likely to do so, etc. Indices shown in this table are derived from the percentages in Table 18 (index for demographic segment = percentage for that segment divided by percentage for total adults). Rounding may produce some inconsistencies.

Table 20

Readership Index for Selective Readers[a]
(Adult readers, by age)

	18-24 Years	25-34 Years	35-44 Years	45-54 Years	55-64 Years	65 Yrs & Over
Business, finance	75	99	99	116	116	104
Classified	108	110	105	95	98	70
Comics	127	101	90	85	98	96
Editorial page	79	88	101	114	120	114
Entertainment	105	100	101	99	101	92
Food, cooking	76	86	100	109	123	125
General news	91	98	101	106	104	104
Home furnishings, improvement	70	86	108	113	121	118
Sports	117	100	100	97	94	88
TV, radio listings	86	91	101	107	109	116
Projected base: Selective reader audience (in 000s)	(7,646)	(10,931)	(9,073)	(6,400)	(5,420)	(5,975)

Source: SMRB, 1989 Study of Media & Markets

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a) For explanation of index, see footnote to Table 19.

Table 21

Readership Index for Selective Readers[a]
(Adult readers, by education)

	College Graduate	1-3 Yrs College	High School Graduate	Some High School or Less
Business, finance	144	107	84	75
Classified	95	99	100	107
Comics	92	112	98	99
Editorial page	115	97	99	90
Entertainment	103	103	105	82
Food, cooking	93	91	109	98
General news	106	102	99	93
Home furnishings, gardening	99	90	109	93
Sports	100	100	102	94
TV, radio listings	90	92	107	106
Projected base: Selective reader audience (in 000s)	(9,788)	(9,449)	(17,800)	(8,408)

Source: SMRB, 1989 Study of Media & Markets

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[a] For explanation of index, see footnote to Table 19.

Table 22

Readership Index for Selective Readers[a]
(Adult readers, by household income)

	$50,000 & Over	$40,000 & Over	$30,000 & Over	$20,000-$29,999	Under $20,000
Business, finance	133	121	114	93	78
Classified	91	95	97	99	106
Comics	96	96	96	98	109
Editorial page	105	104	101	102	97
Entertainment	110	110	106	96	91
Food, cooking	97	99	97	105	102
General news	103	102	101	102	96
Home furnishings, gardening	103	103	102	99	97
Sports	113	108	106	98	90
TV, radio listings	89	95	93	99	114
Projected base: Selective reader audience (in 000s)	(9,533)	(16,829)	(24,457)	(8,370)	(12,618)

Source: SMRB, 1989 Study of Media & Markets

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a) For explanation of index, see footnote to Table 19.

Table 23

Readership Index for Selective Readers[a]
(Adult readers, by occupation)

	Profes-sional, Manager	Technical, Clerical, Sales	Precision, Craft	Other Employed	Not Employed
Business, finance	141	97	89	76	94
Classified	97	103	100	105	99
Comics	90	102	94	98	107
Editorial page	113	100	83	82	106
Entertainment	104	109	74	88	104
Food, cooking	91	104	63	80	121
General news	105	103	96	95	99
Home furnishings, gardening	102	101	63	80	117
Sports	98	94	151	112	87
TV, radio listings	88	112	88	87	112
Projected base: Selective reader audience (in 000s)	(8,669)	(10,234)	(3,631)	(7,598)	(15,313)

Source: SMRB, 1989 Study of Media & Markets

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a) For explanation of index, see footnote to Table 19.

Table 24

Readership Index for Selective Readers[a]
(Adult readers, by locality type)

	Central City	Metro-Suburban	Non-Metropolitan
Business, finance	86	112	99
Classified	88	102	117
Comics	103	92	114
Editorial page	116	94	83
Entertainment	113	101	74
Food, cooking	111	102	74
General news	100	102	95
Home furnishings, gardening	115	97	78
Sports	108	98	89
TV, radio listings	122	86	90
Projected base: Selective reader audience (in 000s)	(16,358)	(20,678)	(8,409)

Source: SMRB, 1989 Study of Media & Markets

a) For explanation of index, see footnote to Table 19.

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REACHING PROSPECTS FOR NEW BANKING BUSINESS

Relationship Banking
Versus Transaction Banking

Newspaper Advertising Bureau, Inc.
1180 Avenue of the Americas
New York, New York 10036
212 921-5080

REACHING PROSPECTS FOR NEW BANKING BUSINESS

Relationship Banking Versus Transaction Banking

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EXECUTIVE SUMMARY

Overview

In a rapidly changing banking environment, the banking community has pinned its hopes on the concept of "relationship banking." In this view, individuals or families do most of their banking with just one institution, and new business comes from providing additional financial products and services to existing customers. Some in the banking community have questioned this concept, proposing that "transaction banking," which revolves around discrete products and services obtained from different institutions at different times, more accurately describes the relationship customers have with their banks. Adherence to one or the other view of consumer banking has obvious implications for the marketing of financial products and services.

This report describes the actual behavior of banking customers. It is based on a telephone survey of 370 randomly selected household heads in 13 metropolitan areas, with oversampling of households having incomes of $50,000 or more.

The survey revealed a high level of banking activity, especially among upscale customers, that is distributed across several different financial institutions. Many customers expect to be in the market for additional banking products and services in the near future, and, based on their past banking patterns, they will decide on a bank rather quickly — most likely a bank where they are not already a customer.

Major Findings

Snapshot of Consumer Banking

1. The surveyed households have a median of seven separate financial instruments with banks, credit unions, and mortgage lenders, and they do business with a median of three different institutions. But there is considerable variability in both the number of financial instruments and the number of banks represented in a household, with higher income households having many more accounts and dealing with more banks than lower income households.

2. Almost every type of financial instrument is more common in upscale households, and this is particularly true of mortgages, home equity loans, and IRA or Keogh accounts.

3. Households have a median of three accounts with the bank where they do the most business. Higher income households have the most accounts with their "favorite" bank, but only because they have more accounts overall. It is lower income households that tend to concentrate all of their business with one bank.

4. Banking activity is not static: six in ten households report establishing a new account within the past two years, and four in ten expect to do some new banking business within the next year.

How New Business is Generated

5. There is a narrow window of opportunity for attracting a new customer to a financial institution once he or she has decided to obtain a particular product or service. Half decide on a bank within a week, and four-fifths generally decide within a month or less. Only around one-third obtain the new product or service from a bank where they are already a customer.

6. Customers are exposed to bank advertising from a variety of sources, most often bank brochures (79%), newspapers (78%), and television (63%). Newspaper readers, older persons, those with more income and assets, and those living in larger metropolitan areas are more likely than others to recall seeing bank advertising in the newspaper. Upscale customers tend to prefer newspaper advertising as a source of information for financial decision making. And, frequent newspaper readers have substantially higher incomes and more liquid assets than either infrequent newspaper readers or those who may not read the newspaper at all.

Customers' Relationships with Their Banks

7. Despite their actual banking patterns, 86% of respondents say that they would prefer a long-term relationship with one bank, and 61% say they would accept less than the best deal in order to have only one bank. At the same time, 74% do not mind dealing with more than one bank, and 53% believe a customer may need more than one bank to meet a variety of needs.

8. Most customers do not dislike dealing with banks, although lower income customers disproportionately do. However, 42% have had a bad enough experience with a bank to sour them on any further dealings with that bank; younger and lower income people are over-represented among this group.

Conclusions

The findings cast doubt on the assumption that banks can market most effectively by focusing on their own customers. Customers may pay lip service to the concept of a long-term relationship with a single financial institution, but they do not express this preference in their actual banking behavior. A bank that seeks to build its business on its existing customers, particularly those with high incomes and/or assets, must remember that they are also customers of several other banks. In addition, a strategy that targets existing customers will miss the young people who are tomorrow's upscale customers and who have a pent-up demand for the financial products and services that they have not yet been able to afford.

The thin market for bank products and services, coupled with the speed with which customers make banking decisions, suggests the need to keep the financial message before the public continuously. Newspaper advertising is well-suited to this task, and newspaper readers provide the upscale prospects that the banking community is seeking.

I. INTRODUCTION

The world of consumer banking has undergone rapid and profound change in recent years, and the evolution continues as banks and other institutions offering financial products and services strive to define their niche in the marketplace. The recent past has witnessed deregulation, an increasingly global marketplace, instability within the thrift industry, bank mergers, a proliferation of new products and services, and increasing competition from non-banks for bank customers. Like the banking business itself, marketing to bank customers and prospects is in a state of flux. Bankers and observers of the banking world are faced with a need to re-evaluate the ideal of "relationship banking," in which consumers maintain a long-term financial relationship with just one or two banks even as their needs evolve over time. Instead, the banking community is increasingly confronting the practical realities of "transaction banking," based on multiple and/or sequential relationships built around discrete banking products and services.

In such an environment, a sharp focus on the banking customer is essential. This study was undertaken to provide a clear picture of today's consumer of banking products and services. By surveying a cross-section of households (with an oversampling of higher income households), the study sought to profile consumer banking patterns, including the number and types of accounts maintained and the number of different financial institutions represented by all banking business in a household. The study also examined how new banking business is generated, including time frames for decision making, reasons for choosing particular banks, and the role of advertising in various media. Finally, the study explored feelings of loyalty and other consumer attitudes toward banks.

The study was directed by Carolyn A. Eldred of the Newspaper Advertising Bureau, who also prepared this report. Survey Sampling, Inc., provided the sample, and AHF Marketing Research, Inc., conducted the interviews and tabulated the data.

II. METHOD

The survey was designed to yield a national sample of bank customers, particularly upscale customers. But rather than sampling households directly, a two-stage design was employed, beginning with a sample of 13 metropolitan areas. This strategy, rooted in analytical objectives, was based on the need to cluster respondents into groups of about 30 households that would all have access to the same banks. Restricting the localities to metropolitan areas ensured sufficient banks in each area.

A random sample of 370 respondents in 13 metropolitan areas was surveyed during late February, 1989, in a 25-minute telephone interview. Thirteen metropolitan statistical areas (MSAs) were selected from the 150 largest MSAs in the U.S., which together account for 66% of the total U.S. population. The 13 MSAs were selected in such a way that they are representative of the population of the 150 from which they were drawn*.

The sample consisted of households with incomes of at least $15,000 per year. In order to permit reliable comparison of high and low income households, those with incomes of $50,000 or more were oversampled. Roughly half of the unweighted sample consisted of such upper income households. In the analysis, households were weighted by income so as to approximate their proportion in the population of $15,000+ households: about 73% between $15,000 and $50,000 and about 26% $50,000 or more. Using targeted income samples of telephone exchanges in each MSA, households were selected through random digit dialing and then screened for income eligibility. Interviews were conducted with male and female household heads (in roughly equal proportions) who were knowledgeable about the household's banking. The survey instrument appears in the Appendix.

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*The total population of the 150 MSAs was divided by 13 to arrive at a sampling interval. Then, using a random start to select the first MSA, each MSA corresponding to the population sampling interval was selected.

III. FINDINGS

A. Snapshot of Consumer Banking

1. Financial Instruments Held by Consumers

Table 1 summarizes the total liquid assets (savings and investments except home equity), indebtedness, and home equity of the surveyed households. Not surprisingly, high income households are the best customers and prospects for financial products and services: 54% of $50,000-plus households have liquid assets of $50,000 or more, compared with just 17% of under-$30,000 households. Fifty-two percent have indebtedness of at least $50,000, compared to 9% of the lowest income group. Income-related differences in home equity are less dramatic, in part because home equity is influenced by a combination of factors such as the local market, initial down payment, length of ownership, and appreciation during the period of ownership. Retirees, in particular, may have modest incomes but substantial home equity. Overall, married couple households, older households, and homeowning households have more assets at their disposal than do others. This picture is consistent with that portrayed by U.S. Census data.

As shown in Table 2, the vast majority of surveyed households have a checking account (95%), a savings, CD, or money market account (87%), and a bank credit card (78%); 69% have all three. Half (51%) have a home mortgage, and about one-fifth (19%) have a home equity loan. Personal, auto or student loans are held by 46% of the households, and 36% have an IRA or Keogh plan. Because only households with incomes of $15,000 or

Table 1

FINANCIAL PROFILE OF SURVEYED HOUSEHOLDS*

Total Dollar Value of Savings and Investments

	<$10,000	$10,000-$50,000	$50,000+
All respondents (370)	34%	33%	33%
By household income			
$50,000 or more (192)	15	32	54
$30,000 - 49,999(102)	30	39	32
$15,000 - 29,999 (76)	58	25	17

Money Owed to Banks on All Loans and Mortgages

	<$10,000	$10,000-$50,000	$50,000+
All respondents (370)	47%	28%	24%
By household income			
$50,000 or more (192)	28	22	52
$30,000 - 49,999(102)	42	38	21
$15,000 - 29,999 (76)	71	20	9

Equity in Home

	<$25,000	$25,000-$75,000	$75,000+
All respondents (289)	28%	32%	40%
By household income			
$50,000 or more (172)	19	30	52
$30,000 - 49,999 (76)	34	31	35
$15,000 - 29,999 (41)	32	35	33

---

*Percentages are based on respondents who answered each question. While every respondent answered the income question during the survey screener, 8% to 10% of respondents failed to answer the other financial questions.

**Households with incomes of $50,000 or more were oversampled and represent 52% of the unweighted sample. The percentages in the table are weighted to reflect the actual representation of such households in the $15,000+ population.

Table 2

TYPES OF FINANCIAL INSTRUMENTS IN HOUSEHOLD

	Checking Acct.	Savings/ CD/Money Market	Bank Card	Home Mortgage	Home Equity Loan	Other* Loan	IRA/ Keogh
All respondents (370)	**95%**	**87%**	**78%**	**51%**	**19%**	**46%**	**36%**
By household income							
$50,000 or more (192)	93	93	83	74	33	48	44
$30,000 - 49,999(102)	99	90	85	52	17	50	41
$15,000 - 29,999 (76)	90	77	65	29	10	40	21
By liquid assets							
$100,000 or more (90)	99	92	82	60	26	25	50
$25,000 - 99,999 (101)	96	85	80	60	23	41	45
$5,000 - 24,999 (99)	93	87	73	45	14	61	27
Less than $5,000 (42)	87	77	77	38	8	57	11
By home ownership							
Own (289)	96	89	79	69	25	43	40
Rent (80)	90	81	73	5	3	54	25
By age							
50 or older (90)	97	84	71	45	23	16	43
40 to 49 (88)	93	88	75	58	18	48	40
30 to 39 (111)	95	86	81	66	20	57	36
18 to 29 (67)	91	88	83	30	14	68	22
By household type							
Married couple (253)	96	88	80	60	24	48	38
One adult only (68)	93	82	77	36	8	45	23

---

*Personal, auto, student loan.

more were surveyed, most instruments occur more frequently in respondents' households than in the general population.

Indeed, as shown in Table 2, most instruments are more common in upscale households; the presence of mortgages, home equity loans, and

IRA/Keogh accounts is particularly sensitive to income. Personal, auto, and student loans, by contrast, are more common in young households with fewer assets.

Largely because of the distribution of instruments by income and life-cycle correlates, some combinations of financial instruments are more likely to be found in the same household than others. For instance, households with an IRA or Keogh plan are less likely than others to have a personal, auto, or student loan. And, not surprisingly, households with a home mortgage are more likely than others to have a home equity loan. (See Table 3.)

Table 3

PERCENT OF HOUSEHOLDS WITH EACH FINANCIAL INSTRUMENT THAT ALSO HAVE OTHER FINANCIAL INSTRUMENTS

	Total	Checking Acct.	Savings/ CD/Money Market	Bank Card	Home Mortgage	Home Equity Loan	Other* Loan	IRA/ Keogh
Checking account	95%	100%	96%	98%	96%	99%	97%	97%
Savings, CD or Money Market Account	87	88	100	91	87	87	90	91
Bank Credit Card	78	80	81	100	84	85	88	84
Home Mortgage	51	52	51	55	100	80	54	58
Home Equity Loan	19	20	19	21	30	100	18	21
Personal, auto, or student loan	46	47	48	52	49	43	100	39
IRA or Keogh Plan	36	37	37	39	41	39	30	100

---

*Personal, auto, or student loan.

Not only the distribution, but also the use, of financial instruments varies with income. For instance, higher income households are the most likely to make regular use of their bank credit cards, but, compared to lower income households, tend to use them more for convenience than as a means of borrowing. Of the 72% of respondents who have a bank credit card in their own name, 46% use the card just about every month. Respondents in higher income households are the most likely to use the card every month: 59% of $50,000+ households, 44% of those earning $30,000 to $50,000, and 36% of those earning less than $30,000 use their cards monthly. At the same time, while 53% overall usually pay off their balance every month, respondents in higher income households are more likely to do so: 67%, 49%, and 44%, respectively, of the three income groups generally avoid carrying a balance from month to month. Although high income households have dramatically higher debt levels than low or moderate income households, bank cards do not appear to be a major vehicle for this debt.

2. Number of Accounts and Banks*

There is considerable banking activity within the surveyed households. The households have a median of seven separate financial instruments with banks, credit unions, and mortgage lenders — a median of six if home mortgages are excluded, and a median of five if bank credit cards are excluded. For the individual respondent (including any instruments held jointly with another household member), the comparable median figures are five, five, and four. Households with incomes of $50,000 or more have almost twice as many financial instruments as those with incomes of $30,000 or less. (See Table 4.)

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*Because "relationship banking" might be directed at either a family or an individual, findings are presented for both the household and the respondent. In addition, because mortgages may involve considerable comparison shopping and many bank cards are marketed nationally, the findings are shown both with and without these instruments.

Table 4

MEDIAN NUMBER OF FINANCIAL INSTRUMENTS
HELD BY HOUSEHOLD OR RESPONDENT

	Accounts in Household			Respondent's Accounts*		
	All Accts.	All But Mortgage	All But Bank Card	All Accts.	All But Mortgage	All But Bank Card
All respondents (370)	6.85	5.95	5.28	5.30	4.78	3.93
By household income						
$50,000 or more (192)	9.08	8.13	6.95	6.61	5.69	5.19
$30,000 - 49,999 (102)	7.30	6.45	5.60	5.64	5.17	4.26
$15,000 - 29,999 (76)	4.63	4.42	3.50	3.89	3.45	2.77
By liquid assets						
$100,000 or more (90)	9.09	8.19	7.03	6.97	6.29	5.49
$25,000 - 99,999 (101)	7.45	6.49	5.55	5.79	5.15	4.44
$5,000 - 24,999 (99)	5.95	5.37	4.51	4.92	4.28	3.38
Less than $5,000 (42)	5.14	4.76	3.63	4.26	3.61	2.88

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*Includes accounts held jointly with another household member.

Table 5 shows the distribution of the number of different financial instruments in the surveyed households. (This distribution underlies the overall household median of seven.) The distribution confirms the large number of financial instruments that may exist within a household. One-fifth (21%) of households have 12 or more accounts, another fifth (19%) have between nine and 11, and nearly another fifth (17%) have seven or eight. Households with incomes of at least $50,000 are much more likely to have 12 or more accounts than households with incomes under $30,000. Likewise, households with liquid assets of $100,000 or more are substantially more likely to have 12+ instruments than those with liquid assets of $5,000 or less.

Table 5

DISTRIBUTION OF ALL FINANCIAL INSTRUMENTS IN RESPONDENT HOUSEHOLDS

	% of Households with Each Number of Accounts					
	0-2	3-4	5-6	7-8	9-11	12+
All respondents (370)	9%	12%	22%	17%	19%	21%
By household income						
$50,000 or more (192)	4	4	15	18	28	32
$30,000 - 49,999 (102)	3	11	24	20	22	22
$15,000 - 29,999 (76)	21	21	25	13	9	11
By liquid assets						
$100,000 or more (90)	1	10	17	14	23	35
$25,000 - 99,999 (101)	3	15	16	22	20	24
$5,000 - 24,999 (99)	15	11	25	16	16	17
Less than $5,000 (42)	21	14	27	15	16	7

Households do business with a median of three different banks. Depending on how unidentified banks are handled in the analysis, whether mortgages and credit cards are included, and whether all household accounts or only the respondent's accounts are counted, the median number of different financial institutions falls between two and three. Higher income households generally deal with more banks than lower income households. However, the overall level of liquid assets appears unrelated to the total number of institutions. (See Table 6.)

Table 6

MEDIAN NUMBER OF FINANCIAL INSTITUTIONS REPRESENTED BY FINANCIAL INSTRUMENTS HELD BY HOUSEHOLD OR RESPONDENT

	Accounts in Household			Respondent's Accounts*		
	All Accts.	All But Mortgage	All But Bank Card	All Accts.	All But Mortgage	All But Bank Card
All respondents (370)						
Minimum**	2.56	2.21	2.11	2.23	1.93	1.87
Maximum**	2.98	2.64	2.43	2.57	2.26	2.13
By household income						
$50,000 or more (192)						
Minimum	3.02	2.48	2.46	2.71	2.13	2.21
Maximum	3.45	2.96	2.85	3.03	2.46	2.55
$30,000 - 49,999 (102)						
Minimum	2.80	2.50	2.33	2.33	2.00	1.91
Maximum	3.32	2.94	2.71	2.78	2.45	2.21
$15,000 - 29,999 (76)						
Minimum	1.98	1.85	1.73	1.87	1.72	1.61
Maximum	2.27	2.15	1.95	2.09	1.93	1.83

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*Includes accounts held jointly with another household member.

**Detailed information about accounts, including bank name, was collected only for the first three accounts of each type mentioned. In addition, some respondents could not or would not identify the bank corresponding to every one of these accounts. Minimum median values were based on the assumption that unidentified banks were duplicates of identified banks, while maximum median values assumed that every unidentified bank was a new bank. Together the two figures define the range within which the actual median lies.

Table 7 shows the distribution of different financial institutions represented by all of the accounts in a household. (This distribution underlies the overall median of three banks per household.) As shown in the table, it is by no means the norm for households, especially higher income households, to do business with only one or two banks. The table indicates that between 29% and 40% of households do business with four or more financial institutions, 19% to 22% do business with three, 18% do business with two, and only 23% to 30% do business with just one. The $50,000-plus households are twice as likely as the under-$30,000 households to use four or more banks, while households in the latter group more often use just one or two.

Table 7

DISTRIBUTION OF THE NUMBER OF FINANCIAL INSTITUTIONS
REPRESENTED BY ALL OF HOUSEHOLD'S FINANCIAL INSTRUMENTS

	Percent of Households Doing Business with Each Number of Financial Institutions							
	One		Two		Three		Four +	
	Min*	Max	Min	Max	Min	Max	Min	Max
All respondents (370)	30%	23%	18%	18%	22%	19%	29%	40%
By household income								
$50,000 or more (192)	22	16	16	14	24	21	39	50
$30,000 - 49,999 (102)	32	25	11	12	23	17	34	47
$15,000 - 29,999 (76)	33	25	30	29	20	20	16	24

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*Detailed information about accounts, including bank name, was collected only for the first three accounts of each type mentioned. In addition, some respondents could not or would not identify the bank corresponding to every one of these accounts. Calculation of the minimum number of banks assumed that unidentified banks were duplicates of identified banks, while calculation of the maximum number of banks assumed that every unidentified bank was a new bank.

There is considerable variation in the number of accounts that households have with their most-used bank: 12% have no more than one account with any bank, 42% have two or three, 29% have four or five, and 17% have six or more. The median is three accounts with the main bank. (See Table 8.)

Higher income households direct a smaller percentage of their business to any one bank than do lower income households, even though as shown in Table 8 they maintain more accounts with the most-used bank (because they have more accounts in total). The sample as a whole maintains a median of 49% of the household's accounts with its "favorite" bank. This means that as many households have fewer than half of their accounts with the most-used bank as have half or more of their accounts with their main bank. For the highest income group, this median is 46%, compared to 58% for the lowest income group. For accounts in the respondent's own name (or jointly held with another household member), the favorite bank has a median of three accounts, which amounts to a median of 54% of all of the respondent's accounts.

Just 14% of households maintain all of their accounts at one bank, but under-$30,000 households are twice as likely as $50,000-plus households to do so. About three-fourths of $50,000-plus households, compared to half of under-$30,000 households, maintain fewer than 60% of their accounts with their primary bank. Higher income households thus direct more business to any given financial institution than lower income households, but not at the expense of doing business with other financial institutions. (See Table 9.)

Sixty percent of households include at least one account less than two years old, which is indicative of some fairly recent banking activity

Table 8

NUMBER OF ACCOUNTS AT THE MOST-USED FINANCIAL INSTITUTION

	Number of Accounts at Most-Used Institution*					
	1	2	3	4	5	6+
ACCOUNTS IN HOUSEHOLD:						
All respondents (370)	12%	22%	20%	17%	12%	17%
By household income						
$50,000 or more (192)	9	14	19	16	12	30
$30,000 - 49,999 (102)	4	27	23	18	13	13
$15,000 - 29,999 (76)	22	22	19	16	10	10
By liquid assets						
$100,000 or more (90)	10	15	10	24	11	31
$25,000 - 99,999 (101)	10	25	19	18	8	19
$5,000 - 24,999 (99)	14	21	28	14	13	11
Less than $5,000 (42)	18	22	22	9	27	4
RESPONDENT'S ACCOUNTS**:						
All respondents (370)	16%	28%	22%	14%	10%	10%
By household income						
$50,000 or more (192)	11	23	19	17	10	19
$30,000 - 49,999 (102)	10	30	27	13	11	7
$15,000 - 29,999 (76)	29	29	17	11	8	6
By liquid assets						
$100,000 or more (90)	11	23	15	18	13	21
$25,000 - 99,999 (101)	14	27	22	20	5	14
$5,000 - 24,999 (99)	20	29	24	13	11	3
Less than $5,000 (42)	20	32	20	7	20	5

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*Unidentified banks excluded.

**Includes accounts held jointly with another household member.

Table 9

PERCENTAGE OF ALL FINANCIAL INSTRUMENTS THAT ARE WITH THE MOST-USED FINANCIAL INSTITUTION

	Percent of All Accounts with "Favorite" Institution*			
	<40%	40-59%	60-99%	All
ACCOUNTS IN HOUSEHOLD:				
All respondents (370)	34%	32%	19%	14%
By household income				
$50,000 or more (192)	40	33	19	9
$30,000 - 49,999 (102)	36	37	13	13
$15,000 - 29,999 (76)	27	24	27	21
By liquid assets				
$100,000 or more (90)	34	27	27	10
$25,000 - 99,999 (101)	36	31	26	8
$5,000 - 24,999 (99)	31	35	12	21
Less than $5,000 (42)	27	40	16	18
RESPONDENT'S ACCOUNTS**:				
All respondents (370)	26%	32%	25%	17%
By household income				
$50,000 or more (192)	30	33	27	11
$30,000 - 49,999 (102)	30	35	19	16
$15,000 - 29,999 (76)	19	29	30	22
By liquid assets				
$100,000 or more (90)	20	16	26	8
$25,000 - 99,999 (101)	26	35	31	9
$5,000 - 24,999 (99)	24	36	15	25
Less than $5,000 (42)	18	39	27	18

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*Unidentified banks excluded.

**Includes accounts held jointly with another household member.

(particularly in view of the fact that 81% also have at least one account that is five or more years old). Higher income households have more accounts of every vintage than do lower income households. (See Table 10.)

Table 10

AGE OF FINANCIAL INSTRUMENTS IN RESPONDENTS' HOUSEHOLDS

	Percent of Households Having Any Accounts:		
	<2 Years Old	2-5 Years Old	5+ Years Old
All respondents (370)	60%	78%	81%
By household income			
$50,000 or more (192)	68	85	91
$30,000 - 49,999 (102)	62	84	85
$15,000 - 29,999 (76)	50	63	67
By liquid assets			
$100,000 or more (90)	57	76	97
$25,000 - 99,999 (101)	62	84	86
$5,000 - 24,999 (99)	63	76	77
Less than $5,000 (42)	64	73	56

3. Prospects for New Bank Business

Respondents were asked when they might next give a bank some additional business and what kind of business that might be. One-fifth of respondents say they are prospects for new bank business within the next six months; these prospects include 28% of households with incomes of $50,000 or more, 19% of those in the $30,000 to $50,000 range, and 16% of those with incomes below $30,000. Just 6% anticipate some new bank business within the next month, but 42% are prospects at some time within the next year. (See Table 11.)

Table 11

RESPONDENTS' PLANS FOR A NEW FINANCIAL INSTRUMENT

When Do They Expect to Open One?	Percent of Respondents		
BASE (370)			
Within the next month	6%	20%	42%
Within the next 6 months	14		
Within the next year	22		
Within the next several years	22		
More than several years from now	21		
Don't know or not answered	16		

What Kind of Financial Instrument?	
BASE (370)	
Loan or mortgage	35%
Savings account	32
CD	30
Checking account	21
Credit card	18
Money market account	14
IRA or Keogh Plan	14
None	6
Other	3
Don't know or not answered	4

As shown in Table 11, there are varied possibilities for new business. Loans and mortgages, savings accounts, and CDs are among the most popular, with around one-third of respondents anticipating each. Around one-fifth expect to get a new checking account, and almost one-fifth, a new bank card. Fewer respondents expect to open a money market account or an IRA/Keogh account (14% each).

Respondents might be expected to have different time frames for different financial instruments, and the data provide some support for this assumption. Because a limited subset of respondents anticipated each type of account, however, differences were rarely statistically significant. Prospects for IRA and Keogh accounts disproportionately anticipated obtaining the instrument either in the next month or in about a year. (The survey was conducted just two months before the deadline for filing income taxes.) In addition, it appears that those interested in a CD may want to obtain the instrument sooner than those interested in a checking account, credit card, loan, or mortgage.

Some plans may depend on where respondents are in the life cycle, as they plan for what they would like to have but have not yet obtained. Thus, renters and younger people are more likely than others to anticipate a loan or mortgage; renters are also more likely to expect to open a savings account. Those 50 and older are less likely than others to anticipate a new bank card. (See Table 12.)

4. Newspaper Readers as a Prospect Group

Sixty-three percent of the survey respondents are frequent newspaper readers, i.e., they looked at a daily paper on four (5%) or five (58%) of

Table 12

CHARACTERISTICS OF RESPONDENTS BY TYPE OF FINANCIAL INSTRUMENT THEY EXPECT TO GET NEXT

	Loan or Mortgage	Savings Account	CD	Checking Account	Credit Card
All respondents (370)	35%	32%	30%	21%	18%
By home ownership					
Own (289)	32	28	29	21	16
Rent (80)	45	42	30	19	22
By age					
50 or older (90)	15	31	40	21	7
40 to 49 (88)	31	28	24	19	21
30 to 39 (111)	44	28	26	21	21
18 to 29 (67)	54	40	25	23	23
By household type					
Married couple (253)	34	28	30	21	14
One adult only (68)	38	40	34	21	25

the previous five weekdays. Another 24% are infrequent readers, having read the paper one (8%), two (6%), or three (10%) of the previous five weekdays. Just 13% are unlikely to be newspaper readers, because they did not read a daily newspaper on any of the five preceding weekdays. About two-thirds of the overall group (65%) also read the Sunday paper on all of the previous four Sundays; 16% read it on two or three Sundays; 7% read just one Sunday paper; and 13% did not see a Sunday paper at all. Frequent newspaper readers are good prospects for banking business, in that they have substantially higher household incomes and liquid assets than either infrequent readers or unlikely readers. (See Table 13).

Table 13

RESPONDENTS' FINANCIAL STATUS BY NEWSPAPER READERSHIP

	Frequent Readers	Infrequent Readers	Unlikely Readers
All respondents (370)	63%	24%	13%
By household income			
$50,000 or more (192)	73	16	12
$30,000 - 49,999 (102)	69	22	10
$15,000 - 29,999 (76)	46	33	20
By liquid assets			
$100,000 or more (90)	75	15	10
$25,000 - 99,999 (101)	72	20	8
$5,000 - 24,999 (99)	58	22	20
Less than $5,000 (42)	47	31	19

B. How New Business is Generated

1. Old Versus New Customers

From the listing of financial instruments provided by the respondent, one of the respondent's accounts was randomly selected for further discussion*. Respondents were asked why they selected the bank they did, whether they were already customers of the bank, and how long it took them to decide on the bank once they had decided on the financial instrument.

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*The only requirement was that, in order to facilitate recall, this be an account opened within the last five years, if such an account was mentioned. Because of this requirement, the number of accounts of each type shown in Tables 14 and 15 does not necessarily mirror their overall frequency within the surveyed households. Checking accounts may be underrepresented, for example, to the extent that respondents have had them longer than other financial instruments.

The majority of respondents did not open their new account with a bank where they were already a customer (although a sizable minority of new accounts were opened by existing customers — 37% overall). At 15% and 23%, respectively, checking accounts and home mortgages were the least likely to involve existing customers. Only "other" loans (student, personal, auto, and home equity) and "other" instruments (IRAs, brokerage accounts, and bank life insurance) predominantly involved existing customers. Even for these, however, existing customers accounted for just over half of the new accounts. "Relationship banking" may work best with such specialized instruments, but in general loyalty to banks is not high. (See Table 14.)

Table 14

WHETHER RESPONDENT WAS ALREADY A BANK CUSTOMER
WHEN TAKING OUT NEW FINANCIAL INSTRUMENT

Existing Customer	Any Acct.	Savings/ CD/Money Market	Bank Card	Home Mortgage	Checking Acct.	Other* Loan	Other**
BASE	349	92	53	55	53	74	22
Yes	37%	40%	40%	23%	15%	56%	55%
No	62	60	57	77	85	44	45

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*Auto, home equity, student, personal.

**IRA/Keogh, brokerage account, bank life insurance.

There are certain circumstances that make it more likely that a new account will be opened by an existing customer of the financial institution. The first is the length of time the customer has lived in the community: 40% of respondents who had lived in the metropolitan area for five years or more opened their account with a bank where they were already a customer, as compared with 26% of those who had lived in the area for less than five years. Community ties may be particularly important for bank credit cards, a product that is often promoted through national campaigns but that can also be obtained through a local bank: respondents in smaller MSAs were more than twice as likely as those in larger MSAs to obtain their bank cards from a bank where they were already doing other business (57% versus 27%).

Because higher income households maintain accounts with more different banks than lower income households, they are more often already customers of a bank where they open a new account. As reported earlier, households with incomes of $50,000 or more are twice as likely as under-$30,000 households to bank with four or more institutions. They are also twice as likely to be repeat customers when they open a new account (48% versus 21%).

2. Consumers' Time Frames for Making Banking Decisions

In general, there is a narrow window of opportunity to attract a customer to a particular financial institution. Having decided to seek a new financial instrument, half of customers decide on a bank within a week. For most instruments -- including mortgages, which may take customers from a few weeks to a month to decide about -- four-fifths of customers decide on a bank in a month or less. (See Table 15.)

Table 15

HOW SOON RESPONDENT DECIDED ON BANK AFTER DECIDING TO GET FINANCIAL INSTRUMENT

Time	Any Acct.	Checking Acct.	Bank Card	Savings/ CD/Money Market	Home Mortgage	Other* Loan	Other**
BASE	349	53	53	92	55	74	22
A week or less	52%	64%	55%	51%	24%	68%	31%
A few weeks	17	14	23	15	31	7	19
A month or so	12	4	5	12	29	14	2
Longer ago	14	14	12	17	7	9	38

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*Auto, home equity, student, personal.

**IRA/Keogh, brokerage account, bank life insurance.

3. Why Consumers Choose a Bank

Respondents most often select a bank based on convenience (36%), particularly location (27%). Interest rates were the reason given by 27%, referral by someone they know by 25%, and available products and services by 19%. By and large, reasons given for choosing a bank do not vary with respondent or household characteristics, except that those with greater savings and investments were more likely to base their decision on interest rates (37% of those with liquid assets of $100,000 or more versus 22% of those with assets between $5,000 and $25,000).

4. How Consumers Obtain Information about Banks

Respondents were asked if they recalled seeing or hearing any bank advertising in the last month or so on television, in newspapers, on the radio, in magazines, and in mailings from their current bank. Overall, there is a high level of awareness of bank advertising, particularly that in bank circulars and newspapers, at 79% and 78%, respectively. There is less awareness of bank ads on television (63%), and even less awareness of bank ads on the radio (44%) and in magazines (40%). Respondents vary in their recall of bank advertising in various media, however. Newspaper readers, older persons, those with more income and liquid assets, and those living in larger metropolitan areas are more likely than others to recall seeing bank advertising in the newspaper. (See Table 16.)

Respondents were also asked whether television, newspapers, or mailed circulars were best at: (1) "getting you the information at the time you need it to make a banking decision," (2) "helping you compare the services offered by different banks," and (3) "providing information about the kind of financial products and services that are of interest to *you*." A plurality of customers sees bank circulars as the preferred medium for providing information that is timely (51%) and addresses the kinds of financial products and services that are of interest to them (46%). They recognize bank circulars as less effective in permitting comparisons among banks, with a plurality identifying the newspaper as preferable for this purpose (42%). Newspaper readers, particularly frequent readers, and those from higher income households are more likely than others to view

Table 16

CHARACTERISTICS OF RESPONDENTS WHO RECALL SEEING OR HEARING BANK ADVERTISING IN VARIOUS MEDIA DURING THE LAST MONTH

	Mailings from Current Bank	News-paper	TV	Radio	Maga-zines
All respondents (370)	79%	78%	63%	44%	40%
By household income					
$50,000 or more (192)	82	85	66	46	48
$30,000 - 49,999 (102)	81	79	61	40	32
$15,000 - 29,999 (76)	72	70	65	46	42
By liquid assets					
$100,000 or more (90)	79	82	62	44	47
$25,000 - 99,999 (101)	83	85	65	43	44
$5,000 - 24,999 (99)	81	79	63	53	34
Less than $5,000 (42)	73	60	61	30	35
By home ownership					
Own (289)	83	79	64	47	44
Rent (80)	66	74	61	35	29
By age					
50 or older (90)	79	86	69	38	43
40 to 49 (88)	75	78	58	39	44
30 to 39 (111)	78	78	61	51	40
18 to 29 (67)	83	72	69	47	35
By metro area size					
Over 1.5 million (170)	80	83	66	47	37
Under 1.5 million (200)	78	74	61	40	42
By newspaper readership					
Frequent reader (245)	84	87	66	49	45
Infrequent reader (77)	65	70	64	28	30
Unlikely reader (47)	80	51	52	49	35

the newspaper as the best source of information. Those who are unlikely to read the newspaper prefer bank circulars for some purposes, while younger, less affluent respondents tend to prefer television. (See Table 17.)

Table 17

RESPONDENTS' ASSESSMENT OF MEDIA FOR THREE PURPOSES

	Providing Timely Information			Facilitating Comparison of Services			Providing Information of Interest		
	Mail	NP	TV	Mail	NP	TV	Mail	NP	TV
All respondents (370)	51%	30%	16%	36%	42%	16%	46%	35%	15%
By household income									
$50,000 or more (192)	51	33	13	31	46	14	41	41	12
$30,000 - 49,999 (102)	47	33	17	31	50	16	46	39	12
$15,000 - 29,999 (76)	55	22	18	46	28	20	49	25	21
By liquid assets									
$100,000 or more (90)	49	36	11	30	52	9	55	32	7
$25,000 - 99,999 (101)	62	29	8	44	39	11	51	38	9
$5,000 - 24,999 (99)	52	30	17	32	44	23	36	41	21
Less than $5,000 (42)	36	23	33	33	35	23	43	29	17
By age									
50 or older (90)	50	32	14	44	38	11	56	32	6
40 to 49 (88)	49	34	14	30	51	15	45	35	15
30 to 39 (111)	42	34	18	34	42	16	38	40	16
18 to 29 (67)	61	17	20	35	37	25	43	36	20
By newspaper readership									
Frequent reader (245)	48	37	13	34	49	12	44	42	11
Infrequent reader (77)	51	22	23	33	37	27	49	29	18
Unlikely reader (47)	66	9	20	51	21	18	49	16	26

Nearly two-thirds read brochures enclosed with their bank statements, two-thirds pick up brochures at the bank, and one-third have responded to bank ads that invite a phone call or written request for additional information. About one-third have given a bank new business based on a brochure and one-sixth, as a result of responding to bank ads. Brochures enclosed with the bank statement have proved most effective with those having greater liquid assets: 46% of those with assets of $100,000 or more and 47% of those in the $25,000 to $100,000 range have responded, as compared to 32% with $5,000 to $25,000 and 26% of those with less than $5,000. Other respondent or household characteristics are not associated with the success of particular techniques. (See Table 18.)

Table 18

RESPONDENTS' EXPERIENCE WITH VARIOUS PROMOTIONAL TECHNIQUES USED BY BANKS

Promotional Technique	Encountered in Last Year	Have Given Business Based on Technique
BASE (370)		
Brochures enclosed with bank statement	87%	37%
Read the brochures	62	
Brochures respondent picked up at the bank	67	33
Respondent's telephoned or written response to bank ads to request more information	32	17
Bank tellers promoting additional services	28	8
Telephone calls from the bank to solicit business	8	6
None of these techniques	n/a	42

Nonetheless, circulars do not always reach their intended target: a sizable minority of respondents (38%) said that they have thrown away direct mail advertising or "junk mail" and then later realized that they might have wanted to read it. Moreover, a recent study by the Newspaper Advertising Bureau indicated that upper income households receive more direct mail advertising than other households, but that on average the more direct mail a household receives the greater the proportion it throws out. According to the study, three-fourths of all advertising mail is now discarded, up from 57% in 1982*.

C. Customers' Relationships with Their Banks

1. Loyalty and Other Attitudes toward Banks

Respondents were asked about their agreement or disagreement with a series of ten statements about banks. (These appear in Table 19.) Most respondents say that they would prefer to have a long-term relationship with one bank (86%), and 61% would accept less than the best possible deal in order to keep their business with one bank. At the same time, 74% do not mind dealing with more than one bank, and 53% believe that a customer may need more than one bank to meet a variety of needs. Thus, customers' preferences for a single long-term banking relationship may be tempered by practical considerations.

Women are more likely than men to prefer a long-term banking relationship; customers who are 40 and older and those with less income and assets are the most likely to say that doing all of their banking at one bank is preferable to getting the best deal on every financial instrument. At the same time, men, those with more income and assets, and persons living in larger MSAs are more likely to say that more than one bank is okay. (See Table 20.)

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*One Day's Mail: Advertising Mail and Its Treatment, Newspaper Advertising Bureau, 1987.

Table 19

RESPONDENTS' ENDORSEMENT OF STATEMENTS ABOUT BANKS

Statement	Agree			Disagree		
	Strongly		Somewhat	Somewhat		Strongly
BASE (370)						
I'd prefer to establish a long-term relationship with one bank & then stick with it.	63%	86%	23%	10%	14%	4%
It wouldn't surprise me to hear that just as some savings & loan institutions are in trouble, so are some banks in trouble.	50	84	35	11	15	4
I feel I know enough, or can easily find out enough, to make a good decision on any new banking I may do.	49	80	31	15	20	4
I don't mind dealing with more than one bank.	47	74	28	12	25	14
I'd rather do all my banking at one bank than get the best deal on every financial instrument.	35	61	26	19	38	19
The products & services offered by different banks are so different that a customer probably needs more than one in order to meet different needs.	25	53	28	30	46	16
To a consumer, the only major differences between banks are the fees they charge.	28	52	24	26	46	20
When I'm in the market for a financial product or service from a bank, it's difficult to get good information.	17	44	28	34	54	20
I have had such a bad experience with a bank in this metropolitan area that it's influenced how much business I would give that bank.	30	42	12	19	56	38
I dislike having to deal with banks.	17	34	17	33	65	32

Table 20

CHARACTERISTICS OF RESPONDENTS AGREEING WITH STATEMENTS ABOUT BANKS

	Prefer Longterm	Banks in Trouble?	Know Enough	>1 Bank Is Okay	Sacrifice Best Deal
All respondents (370)	86%	84%	80%	74%	61%
By household income					
$50,000 or more (192)	85	81	87	83	51
$30,000 - 49,999 (102)	85	90	79	76	65
$15,000 - 29,999 (76)	87	79	75	65	66
By liquid assets					
$100,000 or more (90)	84	84	80	85	51
$25,000 - 99,999 (101)	87	81	81	71	60
$5,000 - 24,999 (99)	83	90	80	79	64
Less than $5,000 (42)	88	77	76	64	64
By home ownership					
Own (289)	86	84	80	75	63
Rent (80)	85	86	79	73	59
By age					
50 or older (90)	90	80	79	72	70
40 to 49 (88)	85	89	84	72	65
30 to 39 (111)	83	85	83	84	54
18 to 29 (67)	84	82	72	66	57
By sex					
Men (180)	80	80	75	81	59
Women (190)	91	88	84	68	64
By metro area size					
Over 1.5 million (170)	83	82	80	80	58
Under 1.5 million (200)	88	86	79	69	64
By newspaper readership					
Frequent reader (245)	83	86	79	75	60
Infrequent reader (77)	90	79	83	73	63
Unlikely reader (47)	91	85	78	71	65

(Continued)

Table 20 (continued)

	Need >1 Bank	Only Fees Differ	Info Hard to Get	Bad Bank Experience	Dis-like
All respondents (370)	53%	52%	44%	42%	34%
By household income					
$50,000 or more (192)	48	39	41	35	23
$30,000 - 49,999 (102)	56	55	48	48	39
$15,000 - 29,999 (76)	53	58	42	41	36
By liquid assets					
$100,000 or more (90)	55	46	37	47	32
$25,000 - 99,999 (101)	46	52	46	38	26
$5,000 - 24,999 (99)	60	52	46	46	43
Less than $5,000 (42)	44	66	40	42	36
By home ownership					
Own (289)	51	52	42	43	30
Rent (80)	57	51	51	42	44
By age					
50 or older (90)	54	58	48	34	32
40 to 49 (88)	46	54	36	44	32
30 to 39 (111)	54	47	50	45	35
18 to 29 (67)	60	51	42	52	41
By sex					
Men (180)	48	51	45	46	35
Women (190)	57	52	44	40	33
By metro area size					
Over 1.5 million (170)	56	55	47	44	33
Under 1.5 million (200)	50	49	42	41	35
By newspaper readership					
Frequent reader (245)	53	55	44	39	32
Infrequent reader (77)	53	50	42	49	35
Unlikely reader (47)	55	39	50	49	37

As shown in Table 20, most customers do not dislike dealing with banks, although renters and those with lower incomes disproportionately do. However, a sizable minority (42%), particularly younger people and those with lower incomes, have had a bad enough experience with a bank in their area to sour them on that bank. Customers are confident of their ability to make financial decisions (80%), and this is particularly true of women and those with higher incomes. Most customers (84%), especially women and persons of moderate income, suspect that some banks, like some thrifts, may be in trouble.

2. What Customers Value in Banks

Respondents were asked how much they care about 10 features that banks may offer. Accuracy is the primary feature that customers value in a bank (85% care very much about it). Around three-fourths also highly value courteous, responsive service (76%), fast, efficient banking transactions (71%), and easy-to-understand statements (74%). The highest return on investment and a convenient location are highly valued by just two-thirds, and just over half (58%) care very much about getting sound financial advice. Fewer than half care a great deal about getting all banking services from one bank (48%) or about receiving consolidated statements when they have multiple accounts in the same bank (42%). Opinion is split on the value of easily accessible ATMs. (See Table 21.)

Some bank features such as accuracy are probably taken for granted by customers and therefore may not enter directly into banking decisions. Nonetheless, the value that respondents place on these features varies as a function of their economic well-being, sex, and age, as well as with the

Table 21

HOW MUCH RESPONDENTS CARE ABOUT VARIOUS BANK FEATURES

Feature	Cares Very Much About 1	2	Net (3 - 5)	3	4	Cares Very Little About 5
BASE (370)						
Accurate record keeping and prompt correction or errors	85%	7%	8%	5%	1%	3%
Courteous, responsive service	76	15	9	6	–	3
Easy-to-understand statements	74	15	11	7	1	3
Fast, efficient banking transactions	71	14	15	8	3	3
Convenient location	67	18	15	11	1	2
Highest return on investment	67	16	17	8	3	5
Sound financial advice, clearly presented	58	16	25	13	5	7
All banking services available from one bank	48	20	31	20	6	6
Easily accessible ATMs	47	12	41	15	9	17
Consolidated statements for multiple accounts in the same bank	42	21	36	22	5	9

size of their community. The less affluent disproportionately value clear statements and one-stop banking (i.e., doing all of their business with one bank). Women are more concerned than men about accuracy, service, and return on investment. Those under 50 value ATMs more than older people, while those 50 and above are more likely to value one-stop banking and consolidated statements. (See Table 22.)

3. What Customers Dislike about Banks

Respondents were asked to complete the statement, "What I dislike most about banks is . . . " and then to say whether there is anything else they particularly dislike about banks. Almost one-fifth of respondents said that there is nothing about banks that they dislike. Poor service and inconvenience are roughly tied as customers' primary dislikes: about one-third of respondents include complaints about service among their dislikes, and one-fourth say that poor service is what they dislike most. The figures are almost identical for complaints about inconvenience. Less commonly mentioned are fees (19% dislike, 15% dislike most) and interest rates (13% dislike, 11% dislike most). (See Table 23.)

Respondents 50 and older and those with less than $30,000 in household income are least likely to have any gripes about banks. Complaints about inconvenience decrease with age but are greater in the larger MSAs and among renters. Complaints about fees, which also decrease with age, are more concentrated in one-adult households and in those with fewer liquid assets, while interest rates are more often a complaint of homeowners. Complaints about service are not concentrated in any particular group. (See Table 24.)

Table 22

CHARACTERISTICS OF RESPONDENTS WHO CARE VERY MUCH ABOUT BANK FEATURES

	Accuracy	Service	Clear Statements	Efficiency	ROI
All respondents (370)	85%	76%	74%	71%	67%
By household income					
$50,000 or more (192)	83	70	66	76	66
$30,000 - 49,999 (102)	84	79	77	72	66
$15,000 - 29,999 (76)	87	75	78	67	68
By liquid assets					
$100,000 or more (90)	85	75	73	75	70
$25,000 - 99,999 (101)	88	73	75	72	68
$5,000 - 24,999 (99)	86	79	77	70	69
Less than $5,000 (42)	77	76	71	69	57
By home ownership					
Own (289)	86	77	77	74	68
Rent (80)	83	73	66	64	64
By age					
50 or older (90)	81	75	77	66	65
40 to 49 (88)	92	72	72	77	63
30 to 39 (111)	82	74	73	74	69
18 to 29 (67)	84	79	74	71	72
By sex					
Men (180)	80	71	73	68	58
Women (190)	89	80	75	74	74
By metro area size					
Over 1.5 million (170)	87	74	71	75	69
Under 1.5 million (200)	83	77	77	69	65
By newspaper readership					
Frequent reader (245)	83	77	72	71	66
Infrequent reader (77)	86	72	70	67	67
Unlikely reader (47)	93	79	93	83	70

(Continued)

Table 22 (continued)

	Location	Advice	One-stop Banking	Handy ATMs	Consolidated Statements
All respondents (370)	67%	58%	48%	47%	42%
By household income					
$50,000 or more (192)	62	51	42	47	40
$30,000 - 49,999 (102)	70	62	46	46	40
$15,000 - 29,999 (76)	68	61	57	47	45
By liquid assets					
$100,000 or more (90)	60	51	43	38	49
$25,000 - 99,999 (101)	70	67	48	48	39
$5,000 - 24,999 (99)	70	57	39	51	39
Less than $5,000 (42)	66	60	63	55	41
By home ownership					
Own (289)	67	58	50	44	42
Rent (80)	68	60	45	54	40
By age					
50 or older (90)	71	58	63	34	56
40 to 49 (88)	66	63	53	47	37
30 to 39 (111)	58	54	33	51	37
18 to 29 (67)	72	59	42	52	33
By sex					
Men (180)	67	55	43	42	44
Women (190)	67	62	53	51	40
By metro area size					
Over 1.5 million (170)	62	60	45	47	43
Under 1.5 million (200)	72	57	51	46	40
By newspaper readership					
Frequent reader (245)	68	58	48	47	42
Infrequent reader (77)	63	58	51	43	38
Unlikely reader (47)	71	64	46	56	46

Table 23

RESPONDENTS' MOST FREQUENTLY MENTIONED DISLIKES ABOUT BANKS

What Respondent Dislikes	Percent Who: Dislike At All	Percent Who: Dislike Most
BASE (370)		
Nothing disliked	18%	18%
Quality of service (net)	33	26
Discourteous, impersonal service	15	12
Poor service, unspecified	5	5
Slow service	5	3
Hold money too long, slow to clear checks	4	2
Inconvenience (net)	32	25
Having to wait in lines	18	13
Banking hours	11	8
Location	3	2
Fees	19	15
Interest rates (net)	13	11
High interest on loans, bank cards	6	5
Low, no interest on accounts	5	3

4. Customers' Image of Banks

Taken together, several of the preceding findings suggest that banks suffer from a negative image. One-third of respondents say that they dislike having to deal with banks, and one-sixth strongly dislike doing so. Four out of 10 agree that they have had such a bad experience with a bank that it would sour them on doing business with that bank in the future; three out of 10 strongly agree with this position. In addition, 82% of respondents, and 92% of 18- to 29-year-olds, could readily describe something that they dislike about banks.

Table 24

CHARACTERISTICS OF RESPONDENTS WITH VARIOUS DISLIKES ABOUT BANKS

	Percent Who Most Dislike:				
	Service	Inconvenience	Fees	Interest Rates	Nothing
All respondents (370)	26%	25%	15%	11%	18%
By household income					
$50,000 or more (192)	28	29	13	9	15
$30,000 - 49,999 (102)	28	26	16	11	15
$15,000 - 29,999 (76)	21	21	17	12	26
By liquid assets					
$100,000 or more (90)	29	27	9	9	23
$25,000 - 99,999 (101)	28	31	12	15	14
$5,000 - 24,999 (99)	25	21	17	7	18
Less than $5,000 (42)	22	26	22	15	21
By home ownership					
Own (289)	25	22	14	13	21
Rent (80)	29	33	20	5	13
By age					
50 or older (90)	26	12	11	9	37
40 to 49 (88)	26	22	12	16	17
30 to 39 (111)	29	30	16	9	11
18 to 29 (67)	22	33	26	11	8
By household type					
Married couple (253)	26	24	13	13	18
One adult only (68)	20	29	24	7	18
By metro area size					
Over 1.5 million (170)	28	32	14	8	21
Under 1.5 million (200)	24	19	17	13	16

To the extent that customers are unhappy with the banks where they have done business, attempts to build business through relationship banking will falter. But respondents have other concerns as well, and these relate to the viability of the industry. More than eight in ten respondents believe that some banks, like some thrifts, may be in trouble, and half strongly believe this to be a possibility.

IV. CONCLUSIONS

The findings cast doubt on the assumption that banks can market most effectively by targeting their own customers. Customers may pay lip service to the concept of a long-term relationship with a single financial institution, but they do not express this preference in their actual behavior. Either the preference is not a strong one or it is overridden by other considerations.

Individual consumers, particularly upscale consumers, have many different financial instruments, and the average consumer deals with several different financial institutions. Their banking activity is not static: six in ten customers established a new account or other instrument within the past two years and four in ten expect to do so within the next year. During any given week or month, however, the market is fairly thin. Yet once customers decide that they want to transact some new banking business, the vast majority decide on a bank within a month. Half decide within a week. These customers require readily available, timely information about banking products and services.

The best prospects, i.e., customers with high incomes and/or assets, represent the greatest challenge to the banking community. They have the most business to give, but they are more inclined than others to spread it among several institutions. The good news for banks is that the sheer volume of these customers' business means that, even though they use multiple banks, they may have several accounts with each one. The bad news is that because these banking relationships are transaction-oriented and not exclusive, they provide a shaky foundation for leveraging additional business from the customer. A bank that seeks to build its business on a base of its existing customers -- especially its upscale customers -- should remember that they are also customers of several other banks.

A strategy that relies on existing customers will miss not only the potentially "disloyal" customers of competing banks, but also newcomers to the community and younger people who have not yet developed upscale banking habits. Among young adults, however, there is pent-up demand for financial products and services that they have not previously been able to afford, such as loans, mortgages, and savings accounts. This is also a group that banks may now be alienating to a degree: they are more likely than older people to dislike dealing with banks and to report a bad experience that would sour them on doing business with a particular bank.

Consumers find the brochures they get from their banks to be helpful, but they recognize their limitations for comparing the products and services offered by different institutions. And, a brochure enclosed with the monthly statement may no longer be around when a customer decides to do some new bank business. Finally, to the extent that customers do business with several different banks and receive direct mail advertising from all of them, such appeals lose some of their competitive edge.

The thin market for any given financial instrument at any particular time, coupled with the speed with which customers make banking decisions, suggests the need to keep the financial message before the public on a daily or weekly basis. Newspaper advertising is particularly well-suited to this task. Newspaper readers, especially frequent readers, have higher incomes and more liquid assets than do either infrequent readers or those who are unlikely to read the paper at all. And, when approaching banking decisions, they find newspaper advertising to be more helpful than bank advertising that appears either on television or in bank brochures.

APPENDIX

Survey Questionnaire

AHF MARKETING RESEARCH, INC.
20 West 33rd Street
New York, New York 10001

NATIONAL CONSENSUS SURVEYS
#66829F
FEBRUARY, 1989

BANKING STUDY

CARD 1

RESPONDENTS' NAME: ______________________________

TELEPHONE NUMBER (AREA CODE): (___ ___ ___) ___ ___ ___ - ___ ___ ___ ___
(6) (7) (8) (9) (10) (11) (12) (13) (14) (15)

INTERVIEWER: ______________________________ DATE: __________

TIME STARTED: __________ __________ TIME ENDED: __________________

RECORD QUOTA GROUP	(16)
Under $50M Q's.B/C -------	1
$50M+ Q's.B/C -----------	2

RECORD SEX	(17)
Male ---------------------	1
Female -------------------	2

RECORD CITY:	(18)		
Boston ---------	1	Macon --------	8
Chicago --------	2	Memphis ------	9
Cincinnati -----	3	New York City	0
Ft. Worth ------	4	San Diego ----	x
Lancaster ------	5	Tampa --------	y
Las Vegas ------	6		(19)
Long Island ----	7	West Palm Beach	1

Hello, I'm ______________________ from National Consensus Surveys, an independent marketing research company in New York City. We're conducting a study and would like to ask you a few questions.

May I speak with the male/female head of your household? (IF UNAVAILABLE/NONE IN HOUSEHOLD/REFUSED, ASK TO SPEAK WITH OTHER HEAD OF HOUSEHOLD. IF UNAVAILABLE/NONE IN HOUSEHOLD/REFUSED, TERMINATE.)

We're conducting a study on how people feel about their banks and banking services. We are not selling anything and you will not be called by a salesman. We will not ask your full name or address and your answers will be kept completely confidential.

Are you reasonably knowledgeable about your household's banking? (IF NOT, ASK TO SPEAK WITH ADULT AGE 18 OR OLDER WHO IS. REPEAT INTRODUCTION. IF UNAVAILABLE, TERMINATE.)

I have a few questions before we get started.

A. Which of the following comes closest to describing the adults living in this household? (READ LIST.)

		(20)
(SKIP TO Q.C) ←	Just one adult ------------	1
(ASK Q.B) ←	A married couple ----------	2
	Unmarried partners --------	3
(SKIP TO Q.C) ←	Two or more roommates -----	4
(ASK Q.B) ←	Extended Family, more than one generation -------	5
(ASK Q.B) ←	Some other arrangement (SPECIFY:) ______________________	x
	(DO NOT READ)	
(TERMINATE) ←	Refused	

B. And, what is the approximate annual income of this household before taxes, considering all sources? Would you say it is...(READ LIST)?

	(21)
Less than $15,000 ---------	1
$15,000 to under $30,000 --	2
$30,000 to under $50,000 --	3
$50,000 or more -----------	4

(DO NOT READ)

(TERMINATE) ← Don't know/refused

(REFER TO INSTRUCITONS AFTER Q.C)

C. And, what is you own personal annual income, approximately, before taxes, considering all sources? Would you say it is...(READ LIST)?

	(21)
Less than $15,000 ---------	1
$15,000 to under $30,000 --	2
$30,000 to under $50,000 --	3
$50,000 or more -----------	4

(DO NOT READ)

(TERMINATE) ← Don't know/refused

DURING THIS INTERVIEW WE WILL BE ASKING ABOUT BANKING. WE ARE INTERESTED ONLY IN YOUR PERSONAL BANKING.

APPLY TO APPROPRIATE INCOME QUOTA GROUP.
IF OVER QUOTA, TERMINATE.

First, let's talk about the banks, credit unions or mortgage lenders that you and other members of your household use. Please keep in mind that we are not interested in any accounts you may have with a brokerage firm. (ASK Q.1a FOR EACH ITEM IN LIST. THEN ASK Q's.1b-5 FOR EACH ITEM RECORDED IN Q.1a.)

1a. Do you or any other members of your household now have a (__________) with a bank credit union or mortgage lender? (IF "NO" TO ALL ITEMS IN LIST, SKIP TO Q.11.)

Now let's talk about the accounts you've identified.

1b. How many (__________) do you or other members of your household have?

2. Thinking about the/the main/the next (__________), in whose name is it? (PROBE IF NECESSARY: Is it joint, that is, in your name and someone else's, is it in your name only, your spouse's name only, your child's name only or some other name (SPECIFY:).)

3. What is the name of the bank where you have this (__________)?

4. Does this bank have offices in your local area or only out of town?

5. And for about how long have you had the (__________)? Would you say it's been less than two years, between two and five years, or more than five years?

Q.1a	Q.1b	Q.2					Q.3	Q.4		Q.5		
	# OF AC-COUNTS	RESP. JOINT	RESP. ONLY	HUSB/ WIFE ONLY	CHILD ONLY	OTHER	NAME OF BANK	OFFICES IN AREA YES	NO	LESS THAN 2	2-5	MORE THAN 5
(22) Checking Account 1	(24)	25-1	2	3	4	x	(26,27)	28-1	2	29-1	2	3
		30-1	2	3	4	x	(31,32)	33-1	2	34-1	2	3
		35-1	2	3	4	x	(36,37)	38-1	2	39-1	2	3
Savings Account 2	(40)	41-1	2	3	4	x	(42,43)	44-1	2	45-1	2	3
		46-1	2	3	4	x	(47,48)	49-1	2	50-1	2	3
		51-1	2	3	4	x	(52,53)	54-1	2	55-1	2	3
Credit card accounts, like VISA or Master-Card --------- 3	(56)	57-1	2	3	4	x	(58,59)	60-1	2	61-1	2	3
		62-1	2	3	4	x	(63,64)	65-1	2	66-1	2	3
		67-1	2	3	4	x	(68,69)	70-1	2	71-1	2	3
	CARD II										80-1	
Individual Retirement Account or IRA or KEOGH Plan --------- 4	(6)	7-	2	3	4	x	(8,9)	10-1	2	11-1	2	3
		12-	2	3	4	x	(13,14)	15-1	2	16-1	2	3
		17-	2	3	4	x	(18,19)	20-1	2	21-1	2	3
Home mortgage - 5	(22)	23-1	2	3	4	x	(24,25)	26-1	2	27-1	2	3
		28-1	2	3	4	x	(29,30)	31-1	2	32-1	2	3
		33-1	2	3	4	x	(34,35)	36-1	2	37-1	2	3
ertificate of deposit or CD 6	(38)	39-1	2	3	4	x	(40,41)	42-1	2	43-1	2	3
		44-1	2	3	4	x	(45,46)	47-1	2	48-1	2	3
		49-1	2	3	4	x	(50,51)	52-1	2	53-1	2	3
Money Market Account ------ 7	(54)	55-1	2	3	4	x	(56,57)	58-1	2	59-1	2	3
		60-1	2	3	4	x	(61,62)	63-1	2	64-1	2	3
		65-1	2	3	4	x	(66,67)	68-1	2	69-1	2	3
	CARD III										80-2	
Brokerage account 8	(6)	7-1	2	3	4	x	(8,9)	10-1	2	11-1	2	3
		12-1	2	3	4	x	(13,14)	15-1	2	16-1	2	3
		17-1	2	3	4	x	(18,19)	20-1	2	21-1	2	3
Auto loan ----- 9	(22)	23-1	2	3	4	x	(24,25)	26-1	2	27-1	2	3
		28-1	2	3	4	x	(29,30)	31-1	2	32-1	2	3
		33-1	2	3	4	x	(34,35)	36-1	2	37-1	2	3
Home equity loan or credit line 0	(38)	39-1	2	3	4	x	(40,41)	42-1	2	43-1	2	3
		44-1	2	3	4	x	(45,46)	47-1	2	48-1	2	3
		49-1	2	3	4	x	(50,51)	52-1	2	53-1	2	3
Student loan x	(54)	55-1	2	3	4	x	(56,57)	58-1	2	59-1	2	3
		60-1	2	3	4	x	(61,62)	63-1	2	64-1	2	3
		65-1	2	3	4	x	(66,67)	68-1	2	69-1	2	3
	CARD IV										80-3	
Personal loan y	(6)	7-1	2	3	4	x	(8,9)	10-1	2	11-1	2	3
		12-1	2	3	4	x	(13,14)	15-1	2	16-1	2	3
		17-1	2	3	4	x	(18,19)	20-1	2	21-1	2	3
ank life (23) insurance policy 1	(22)	23-	2	3	4	x	(24,25)	26-1	2	27-1	2	3
		28-	2	3	4	x	(29,30)	31-1	2	32-1	2	3
		33-	2	3	4	x	(34,35)	36-1	2	37-1	2	3
None ----------- x												

(IF RESPONDENT MENTIONED A BANK CREDIT CARD IN Q.1a AND HAS AT LEAST ONE CARD IN HIS/HER OWN NAME, ASK Q.6 AND Q.7. OTHERWISE, SKIP TO Q.8.)

6. You said that you have a bank credit card. Do you charge purchases or cash advances to your bank credit card or cards just about every month or would you say you do it less often?

	(38)
Charge about every month --	1
Use less often ------------	2
Don't know ----------------	y

7. When you have a balance on your bank credit card or cards, do you generally pay it off every month or do you usually stretch the payments out over two or more months?

	(39)
Pay off every month -------	1
Stretch the payments out --	2
Don't know ----------------	y

(THE COMPUTER WILL RANDOMLY SELECT AN ACCOUNT THAT IS IN THE RESPONDENT'S NAME (JOINT OR RESP. ONLY) IN Q.2, IF POSSIBLE ONE THAT THE RESPONDENT HAS HAD LESS THAN 5 YRS. ASK QUESTIONS 8-10 ABOUT THAT ACCOUNT.)

8. Now let's talk about the (__________) you have with (____________) bank. What was it about that bank that led you to choose it for your business? (PROBE FULLY.) What else?

9. As far as you can recall, about how long was it between the time when you decided to get a (__________) and the time when you decided on that particular bank? (READ LIST.)

	(40)
A week or less ------------	1
A few weeks ---------------	2
A month or so -------------	3
Longer ago ----------------	4
(DO NOT READ)	
Don't know --------------	y

10. Just before you got the (________) with (__________), were you doing any other business with that bank - any other accounts or loans or whatever?

	(41)
Yes -------------	1
No --------------	2
Don't know ------	y

Now two questions about when you might next give a bank some additional business - for instance, open a new account, take out a loan, or apply for a bank credit card.

(ASK EVERYONE:)

11. Although it is sometimes hard to make such predictions, what would be your guess about when that might be, if at all? Would you say...(READ LIST)?

	(42)
Within the next month ---------------	1
Within the next six months ----------	2
In the next year --------------------	3
In the next several years -----------	4
More than several years from now ----	5
(DO NOT READ)	
Don't know ------------------------	y

CARD IV

12. If you were to give a bank some new business, would it be with a...(READ LIST)?

	(43)
Savings account -----------	1
Checking account ----------	2
Loan or mortgage ----------	3
IRA or KEOGH account ------	4
CD ------------------------	5
Money Market account ------	6
Credit card ---------------	7
Something else (SPECIFY:) ____________	x
(DO NOT READ) Don't know --------------	y

13. How would you complete this sentence? "What I dislike most about banks is ..... "

____

____

IF "NOTHING" IN Q.13, SKIP TO Q.15

14. What else do you particularly dislike about banks? (PROBE FULLY.)

____

____

15. Now I'd like to read you a series of statements. As I read each one please tell me whether you agree strongly, agree somewhat, disagree somewhat or disagree strongly. (START WITH "X'd" ITEM AND RECORD APPROPRIATELY.)

(START)	AGREE STRONGLY	AGREE SOMEWHAT	DISAGREE SOMEWHAT	DISAGREE STRONGLY	(DO NOT READ) DON'T KNOW
( ) To a consumer, the only major differences between banks are the fees they charge ---------------	1	2	3	4	y (44)
( ) I dislike having to deal with banks	1	2	3	4	y (45)
( ) I'd prefer to establish a long-term relationship with one bank and then stick with it -----------------	1	2	3	4	y (46)
( ) When I'm in the market for a financial product or service from a bank, it's difficult to get good information ------------------------	1	2	3	4	y (47)
( ) I'd rather do all my banking at one bank than get the best deal on every financial instrument ---------------	1	2	3	4	y (48)
( ) I feel I know enough, or can easily find out enough, to make a good decision on any new banking I may do --------------------------	1	2	3	4	y (49)
( ) It wouldn't surprise me to hear that just as some savings and loan institutions are in trouble, so are some banks in trouble ----------	1	2	3	4	y (50)
( ) The products and services offered by different banks are so different that a customer probably needs more than one bank in order to meet different needs ------------------------------	1	2	3	4	y (51)
( ) I have had such a bad experience with a bank in this metropolitan area that it's influenced how much business I would give that bank ---------------	1	2	3	4	y (52)
( ) I don't mind dealing with more than one bank --------------------------	1	2	3	4	y (53)

CARD IV

16. People differ in what they consider important in a bank and I'd like to find out how important different features are to you. Please give me one number from "1" to "5" for each feature I mention, with "1" meaning the feature is something you care very much about and "5" meaning the feature is something you care very little about. You can use any number in between "1" and "5." Now from "1" ro "5," how much do you care about ("X'd" ITEM)? (RECORD BELOW AND REPEAT FOR REMAINING ITEMS IN LIST.)

(START)	CARE VERY MUCH ABOUT			CARE VERY LITTLE ABOUT		(DO NOT READ) DON'T KNOW
( ) Courteous, responsive service -----------------	1	2	3	4	5	y (54)
( ) Fast, efficient banking transactions ------------	1	2	3	4	5	y (55)
( ) Highest return on investment --------------	1	2	3	4	5	y (56)
( ) Convenient location -----	1	2	3	4	5	y (57)
( ) Accurate record keeping and prompt correction of errors ------------------	1	2	3	4	5	y (58)
( ) Easy-to-understand statements --------------	1	2	3	4	5	y (59)
( ) All banking services available from one bank	1	2	3	4	5	y (60)
( ) Easily accessible automatic teller machines or ATM's ----------------	1	2	3	4	5	y (61)
( ) Consolidated statements for multiple accounts in the same bank --------	1	2	3	4	5	y (62)
( ) Sound financial advice, clearly presented -------	1	2	3	4	5	y (63)

Now I have a few questions about how people get information about financial matters and banking services.

17. During the last month or so, do you recall seeing or hearing any advertising by banks...(READ LIST AND RECORD APPROPRIATELY)?

		YES	NO	DON'T KNOW
a.	On television ------------------	1	2	y (64)
b.	In newspapers ------------------	1	2	y (65)
c.	On radio ----------------------	1	2	y (66)
d.	In magazines ------------------	1	2	y (67)
e.	In mailings from your current bank, like fliers enclosed with bank statements ----------------	1	2	y (68)

18. Considering just three of these sources - television, newspapers, and mailed circulars from your current bank - which would you say is the best at... (READ LIST AND RECORD APPROPRIATELY)?

		TV	NEWS-PAPERS	MAILED CIRCULARS	DON'T KNOW
a.	Getting you the information at the time you need it to make a banking decision ------------	1	2	3	y (69)
b.	Helping you compare the services offered by different banks ----	1	2	3	y (70)
c.	Providing information about the kind of financial products and services that are of interest to you ----------------------	1	2	3	y (71)

CARD IV

19. Banks use a variety of means to advertise their products and services. Please tell me which of the following you've enountered in the last year or so...(READ LIST AND RECORD APPROPRIATELY.)

	ENCOUNTERED			READ		
	YES	NO	DON'T KNOW	YES	NO	DON'T KNOW
a. Bank tellers promoting additional services -------	1	2	y (72)			
b. Telephone calls from the bank to solicit business --	1	2	y (73)			
c. Brochures enclosed with your bank statement ------------	1	2	y (74)			
(IF "YES," ASK:)						
Do you generally read them?				1	2	y (75)
d. Have you ever picked up any of the brochures displayed around the bank -----------	1	2	y (76)			
e. Have you ever responded to a bank ad that asked you to write or call for more information ---------------	1	2	y (77)			

78,79Z
80-4

CARD V

20. Have you given a bank business, or more of your business as a result of these kinds of advertising? (READ LIST AND RECORD ALL THAT APPLY.)

	(6)
A brochure enclosed with your bank statement --	1
A telephone call from the bank ---------------	2
A brochure in the bank -----------------------	3
Promotion by a bank teller -------------------	4
An advertisement that asks you to write or call for more information -----------------------	5
(DO NOT READ)	
None ---------------------------------------	y

21. Have you ever thrown away advertising or "junk" mail and later realized that you might have wanted to read it?

	(7)
Yes -------------	1
No --------------	2
Don't know ------	y

22. Altogether, on how many Sundays during the last month would you say that you read or looked into a Sunday or weekend edition of the newspaper? (READ LIST IF NECESSARY.)

	(8)
One -------------	1
Two or three ----	2
All four --------	3
None ------------	4
(DO NOT READ)	
Don't know ----	y

23. On how many of the last 5 weekdays did you read or look into a daily newspaper, that is, a newspaper that comes out Monday through Friday? (READ LIST IF NECESSARY.)

	(9)
One -------------	1
Two -------------	2
Three -----------	3
Four ------------	4
Five ------------	5
None ------------	6
(DO NOT READ)	
Don't know ----	y

THERE IS NO QUESTION 24

CARD V

Now before we close, I have just a few more questions for statistical purposes only.

25. With which racial or ethnic group do you primarily identify? Are you... (READ LIST)?

	(10)
White	1
Black	2
Hispanic	3
Asian	4
Something else (SPECIFY:) ____________	x
(DO NOT READ)	
Refused	y

26. What was your age on your last birthday?

____________ (11, 12)

27. And what is the highest grade or year of school that you've completed? (READ LIST IF NECESSARY.)

	(13)
Not high school graduate	1
High school graduate	2
Some college	3
College graduate	4
(DO NOT READ)	
Refused	y

28. Are you currently employed either part-time or full-time? By employed, I mean at a job for which you earn money. (PROBE:) Is that full-time (35 hours a week or more) or part-time?

		(14)
(SKIP TO Q.30) ←	Employed full-time	1
	Employed part-time	2
(ASK Q.29) ←	Not employed	3
(SKIP TO Q.30) ←	Refused	y

29. Are you retired, temporarily unemployed, a full-time student, or a homemaker?

	(15)
Retired	1
Temporarily unemployed	2
A full-time student	3
A homemaker	4
(DO NOT READ)	
Refused	y

30. How long have you lived in this metropolitan area? (READ LIST.)

	(16)
Less than two years	1
Between two and five years	2
Five years or more	3
(DO NOT READ)	
Refused	y

31. Not counting equity in your home, what is the approximate total dollar value of any of this household's savings and investments? (READ LIST.)

	(17)
None	1
Less than $5,000	2
$5,000 to under $10,000	3
$10,000 to under $25,000	4
$25,000 to under $50,000	5
$50,000 to under $100,000	6
$100,00 or more	7
(DO NOT READ)	
Don't know/refused	y

32a. Do you own or rent your home?

		(18)
(ASK Q.32b) ←	Own	1
(SKIP TO Q.34) ←	Rent	2
	Refused	y

32b. Do you have a mortgage on your home now?

	(19)
Yes	1
No	2
Don't know	y

CARD V

33. Taking into account the current estimated value of you home and any money you may owe on it, how much equity do you have in your home? (READ LIST.)

	(20)
Less than $25,000 ---------	1
$25,000 to under $50,000 --	2
$50,000 to under $75,000 --	3
$75,000 to under $125,000 -	4
$125,000 to under $200,000	5
$200,000 or more ----------	6
(DO NOT READ)	
Don't know/refused ------	y

34. What is the total amount of money, if any, owed all of your banks on any loans and mortgages this household may have? (READ LIST.)

	(21)
None ----------------------	1
Less than $5,000 ----------	2
$5,000 to under $10,000 ---	3
$10,000 to under $25,000 --	4
$25,000 to under $50,000 --	5
$50,000 to under $100,000 -	6
$100,000 to under $150,000	7
$150,000 to under $200,000	8
$200,000 or more ----------	9
(DO NOT READ)	
Don't know/refused ------	y

22-79Z
80-5

Thank respondent and conclude interview.

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TEENAGERS AND NEWSPAPERS 1989

Newspaper Advertising Bureau, Inc.
1180 Avenue of the Americas
New York, New York 10036
212 921-5080

TEENAGERS AND NEWSPAPERS 1989

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NEWSPAPER ADVERTISING OPPORTUNITIES

1. Use the Newspaper to Target Teen Consumers

Teens do read the newspaper. On an average weekday, 41% of those age 12-17 read or look at a daily newspaper. On the average Sunday, 48% read the paper. However, these average day figures don't tell the whole story. As with adults, some teens are better prospects than others. The newspaper reaches substantially more older teens (47% read the average daily, 51% read Sunday), teens from high-income households (44% daily, 58% Sunday), and teens who say they'll definitely attend a four-year college (47% daily, 54% Sunday). In addition, teens from the Northeast (52% daily, 66% Sunday) are particularly strong readers.

Further, teens are looking for advertising when they read the newspaper. Two in five (41%) teens said the newspaper is where they are most likely to find "the facts about what is available and where to buy it." By contrast, less than one-fifth called television (19%) or magazines (17%) most helpful for advertising, and almost no one (1%) felt that way about radio advertising.

2. Advertise on Both Weekdays and Sunday

Although the reach of the average Sunday paper is higher than that of the average daily, few teens (9%) read only the Sunday paper in "the past week." And fully four in five teens (81%) read at least once over a seven day period. Of the 81%, 62% read both weekday and Sunday. These findings suggest, first, that a large number of teens can be reached through newspaper advertising and, second, that a combination of daily and Sunday advertising will be more effective than a schedule containing one or the other solely.

3. Use Continuity or Flighting to Build Reach and Frequency

Don't expect to build adult-level GRPs against teens in a single week. Although many teens read regularly, they are less consistent in their reading habits than adults are.

4. Position Advertising Where Teens Will Find It

Teens are much more selective newspaper readers than adults are. Only one in five say they usually "read or look at every page" of the daily (20%) or Sunday (17%) newspaper. (By contrast, 61% of adults read or look at most pages.) To maximize exposure, place ads adjacent to editorial content that interests them or within sections they read frequently.

Boys' reading patterns and interests tend to be more focused. They most often turn to the sports pages (81% on weekdays, 68% on Sundays) and the comics (63% daily, 73% Sunday). However, many also say they are "very interested" in jobs and careers (51%), rock music (40%), and cars & motorcycles (45%).

Girls' reading patterns are more diffuse. While the comics section is the top draw for them (72% weekdays, 79% Sundays), they frequently look at entertainment (62% weekdays, 58% Sundays), general news (55% weekdays, 52% Sundays), the TV/radio listings (49% weekdays, 47% Sundays), and even the sports section (50% weekdays, 41% Sunday). In addition, many girls say they're "very interested" in clothes and style (62%), jobs and careers (58%), local high school news (47%), and rock music (42%).

5. Tailor Messages to Teens' Real-Life Experiences

Being popular is an important goal for most teenagers, but it isn't everything. They're dealing with big issues: families in which only one parent is present or both parents work, plans for college (60% say they'll definitely or probably attend a four-year college), jobs, and plans for marriage and children in the future. In addition, most have opinions on the major social and economic issues of the day. A zany image may work well for a "fun" product, but more serious approaches could be used successfully.

CIRCULATION AND EDITORIAL OPPORTUNITIES

Our research suggests several opportunities for building teen readership and loyalty to the newspaper. Taking the teen segment seriously *now* could have far-reaching circulation implications, both in the short run *and* in terms of long-term readership trends.

Today's teens *could* be tomorrow's loyal readers. Conversely, they might not be. Considering the downward trend in circulation penetration, it's no longer reasonable to assume that teens will *naturally* develop a regular reading habit as they become more integrated into adult society. That assumption often results in a rather passive approach to the teen segment, rather than a focused effort to encourage readership. However, the other media (as well as manufacturers) *are* aggressively pursuing teens, and it's time newspapers got on the band wagon to fight for their share of voice. After all, today's teens are tomorrow's major consumers and opinion leaders.

Here are some suggestions for building readership:

1. *Evaluate the Volume and Location of Articles That Interest Teens*

Certain *sections* do particularly well with teens. In addition to the comics, study these sections:

Sports: Readership of this section is strong among boys. And boys are quite interested in professional teams and events. However, both boys *and* girls are interested in *local high school sports* (38% and 34% respectively are "very" interested). That category is better represented in smaller dailies and in weeklies than in the major metro papers.

Entertainment: This section does particularly well with girls. One reason for that finding may be that the entertainment section often contains a *variety* of articles that girls are interested in. Note that both boys and girls are interested in "rock groups, concerts and tapes" (40% and 42% respectively are "very" interested). Rock music is another area that is relatively neglected or lightly covered.

However, many teen interests are not so easily sectionalized, and some are rarely covered! For example, most teens are interested in news about jobs and careers (55% are "very" interested). Further, "getting a secure, steady job" ranked number one in teen life goals. How many newspapers carry a regular career series (in a predictable location) that profiles a wide variety of professions, including entrance requirements and possible career tracks? A series of that nature would be very attractive to teens (and others, too). Fashion, music, and local high school news offer other opportunities worth exploring.

2. Study the "Fit" Between Teen Reading Patterns and Newspaper Layout

Teens are much more selective readers than adults are. That finding strongly suggests that teens are not going to stumble across interesting articles as they flip through the pages. While they may become "cover to cover" readers as they get older, we should not assume they will do so. There are too many intervening variables. Rather, we should view teen reading patterns as an opportunity to make the vast array of newspaper information easier for everyone to find and enjoy.

The sections that perform best (comics, sports, entertainment) have several common characteristics. First, they generally contain a limited (but highly predictable) selection of news and features. Second, they often contain a number of articles or features that attract teen readers. Therefore, it's both easy and worthwhile for teens to locate those articles.

Teen's use of the general news section may provide additional clues about what is needed. This section does reasonably well with both sexes (though somewhat better with girls). Visibility of "front page news" stories probably accounts for some of that performance. In addition, front page stories are more likely to be carried by competing media, which may increase their recognition and interest value. (In fact, teens who recalled a news item of interest most often recalled stories that would usually appear on the front page—Armenian earthquake, Gorbachev's visit to New York, space shuttle launch.) It may be that increasing the visibility of stories that attract teens (by placing these stories on the front pages of suceeding sections) could lure teens into other sections.

3. Build Section Readership Through Articles That Attract Teens

Don't assign teen articles to a special stand-alone section. That will both discourage general reading and insult many teens. Instead, focus on encouraging readership of sections that teens don't read as often. The strategy could include placing attractive "teaser" articles on the front pages of less frequently read sections, developing new standing features for those sections (such as a career feature in the business section or pages), or relocating existing features into those sections.

4. Build Frequency By Running Attractive Articles Every Day

Teens are less frequent readers than adults are. They're more likely to read a few times a week than every day. While we can't make them read more frequently, we can entice them. Tactics could include making sure that a variety of attractive features run every day of the week and running high-interest sections on different days of the week. Beefing up the comics section on weekdays (including color comics) could also be very effective.

5. Continue Efforts to Build Subscriptions

Home delivery of a newspaper has the same positive relationship to teen reading as it does to adult reading. Among teens whose household gets a daily paper delivered, 51% read on the average day. By contrast, just 32% of teens in non-subscribing households do so. Similarly, among those with a Sunday paper delivered, 62% read on the average Sunday (compared to 40% of those in non-subscribing households).

Consider building subscriptions as an investment rather than solely as a profitable strategy, especially among young families. Since teens are more likely to read if their parents read, getting the paper into more households with young children builds future readers.

6. Promote, Promote, Promote

Teens' reading patterns (highly selective, fewer days of the week than adults) make it unlikely that they'll spontaneously increase their newspaper reading, no matter what changes a paper makes. The paper must tell them exactly what it has to offer, where it is, and when it runs. Some of that promotion could be accomplished by advertising features in sections that teens often read. However, the newspaper should consider placing ads that target teens in competing media as well. In addition, take a look at the tactics used by the other media (and manufacturers) to attract teens for promotion opportunities that could be adapted successfully to the newspaper.

7. Use NIE as a Gateway

For preteens and teens who don't have access to a newspaper in the home, the schools are the only reliable alternative. Newspaper in Education programs should be expanded, and relationships built between the newspapers and school systems to promote excellence in education.

Teenage reading is the bridge between the infrequent or irregular readership of children and the more frequent and regular readership of young adults (18-24). Catering to the needs and interests of this crucial age segment is the key to creating tomorrow's readers.

METHODOLOGY

Will today's teenager become tomorrow's newspaper reader? To explore this important readership segment, the Newsprint Information Committee commissioned a study of teenagers that was conducted by Simmons Market Research Bureau. We started with the 1988 STARS Study conducted by Simmons (a syndicated survey that included personal interviews of 2,089 teens between the ages of 12-17). STARS 1988, which was based on a national cross-section* of teens, was completed in the spring of that year. The commissioned research was a follow-up to the STARS Study in which we recontacted a portion of the original respondents by telephone. In total, 1,074 recontact interviews were completed with teens age 12-17 during December, 1988.

This report contains findings from both the original STARS 1988 and recontact studies. The base of each table identifies the source of its information: they are marked as either "STARS Teens" or "NAB Recontact Teens". In both studies, boys and girls were interviewed in roughly equal numbers. STARS included interviews with 1,075 boys and 1,014 girls. Our recontact study includes 535 boys and 539 girls. The age breaks are almost equal: while STARS included 995 12-14 year-olds and 1,094 15-17 year-olds, the recontact study included 556 and 518, respectively.

---

* It must be acknowledged that national surveys of this nature have particular difficulty in obtaining representative samplings of the most impoverished members of the population in every age group. See Appendix Table C for a comparison of Census Bureau and weighted sample characteristics.

METHODOLOGY (Continued)

The recontact study was designed by Leo Bogart, Charles Lehman and Dorothy Shea of the Newspaper Advertising Bureau. Andrew Yaffee of Simmons Market Research Bureau handled sampling and all field work for the study. Ms. Shea carried out the data analysis and wrote this report.

I. UNDERSTANDING TEENS:
THEIR VALUES AND ASPIRATIONS

What are teenagers like today? To understand their uses of and opinions about the newspaper, we need to understand what is important to them. This chapter of the report discusses some characteristics of teens that can help us understand them better.

Overview: Teenagers in the Late Eighties

Over the past three decades the population of the United States has changed dramatically. Between 1960 and 1987, the size of the population increased by a third--from 180 million to nearly 244 million[1]. Until 1974 increases in the teen population (sparked by the Baby Boom) were an important part of that growth. At that point, teens between the ages of 12 and 17 were 25.4 million strong and 11.9% of the total population. Since 1974, however, the number of teens has decreased rapidly. By 1987 only 8.6% of the population (21 million) was between the ages of 12 and 17. (See Chart 1.) Further, if Census projections are correct, the teen population will continue to decline throughout the next century. (See Table 1 and Chart 2.)

---

[1] Bureau of the Census. Population Estimates and Projections, Series P-25: #519 (April 1974); #1022 (March 1988); #1018 (January 1989).

Table 1

Total U.S. Population vs. Teen Population (1960–2080)

Year	Total U.S. Population (000)	Total Teens 12-17 (000)	Teen % of Total U.S. Population
1960	180,671	18,411	10.2
1961	183,691	18,982	10.3
1962	186,538	19,693	10.6
1963	189,242	20,562	10.9
1964	191,889	21,560	11.2
1965	194,303	21,630	11.1
1966	196,560	22,080	11.2
1967	198,712	22,588	11.4
1968	200,706	23,158	11.5
1969	202,677	23,745	11.7
1970	205,052	24,274	11.8
1971	207,661	24,696	11.9
1972	209,896	25,000	11.9
1973	211,909	25,290	11.9
1974	213,854	25,457	11.9
1975	215,973	25,422	11.8
1976	218,035	25,307	11.6
1977	220,239	25,016	11.4
1978	222,585	24,550	11.0
1979	225,055	23,919	10.6
1980	227,757	23,295	10.2
1981	230,138	22,757	9.9
1982	232,520	22,358	9.6
1983	234,799	22,199	9.5
1984	237,001	21,958	9.3
1985	239,279	21,629	9.0
1986	241,613	21,301	8.8
1987	243,915	20,974	8.6
1990 p*	250,410	20,042	8.0
2000 p	268,266	22,985	8.6
2010 p	282,575	21,805	7.7
2020 p	294,364	21,103	7.2
2030 p	300,629	21,728	7.2
2040 p	301,807	20,875	6.9
2050 p	299,849	20,567	6.8
2060 p	296,963	20,347	6.9
2070 p	294,642	19,765	6.7
2080 p	292,235	19,519	6.7

*Projected

Source: Bureau of the Census, Population Estimates and Projections, Series P-25: Nos. 519, 1018, 1022.

Chart 1

Changes in Teen and Total Population: 1960-1987
Index 1960=100

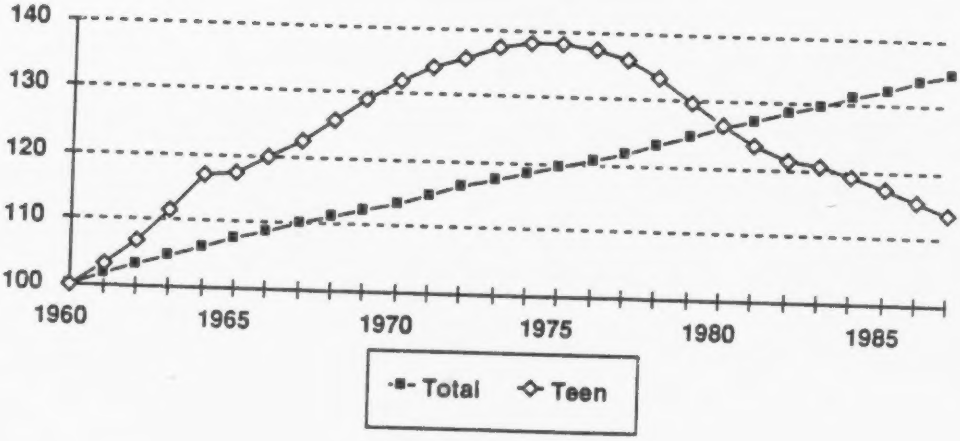
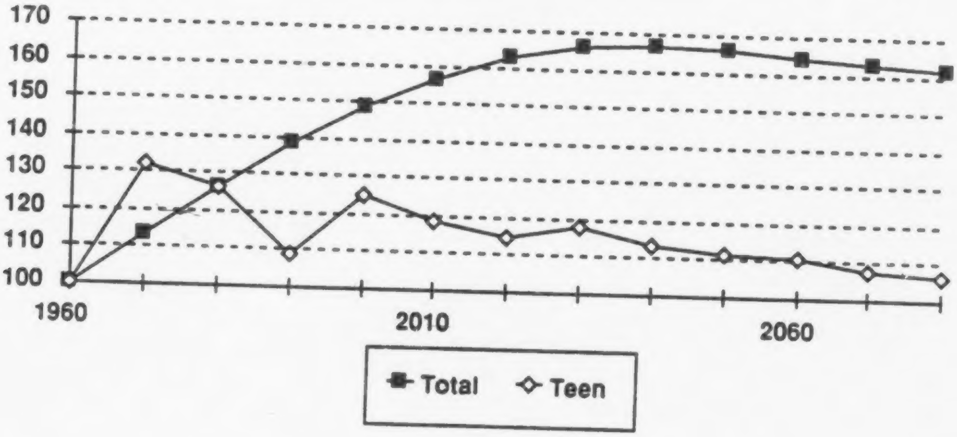


Chart 2

Changes in Teen and Total Population: 1960-2080
Index 1960=100



Teenagers' ethnic composition and living patterns are also changing over time. Today, more teens are Black (15.5% compared with 11.3% in 1960), Hispanic (9.8%), or of Asian ancestry (3.7%). And, not surprisingly, teens are most likely to live in the South (37%) and Midwest (25%), areas where the overall population is growing fastest. Half (49%) of all teens live in a suburban location.

How can we describe the lives of today's teens? First, their living arrangements are somewhat different from the Leave It To Beaver image most adults grew up with. Just two-thirds of all teens (66%) live with both parents. More than one-fourth (26%) live with their mother only and a few (5%) live only with their father. (Three percent have some other living arrangement.) Further, more than four in ten (42%) live in families where both parents work. And, finally, the educational achievements among teens' parents are much higher than those among teens' grandparents. More than one in five (22%) of today's teenagers live in a home where the adult head of household has a college degree. (See Table 2.)

How Do Teenagers See Themselves?

In exploring self-images among teens we looked at two different questions. The first question (contained in the STARS questionnaire) asked teens how well each of 22 statements described them personally. The second question (contained in the Newspaper Advertising Bureau's recontact questionnaire) asked how they want their peers at school to remember them.

Table 2

Profile of Teens 12-17

	Total Teens
By Living Arrangements	
Live with both parents	66%
Live with mother only	26
Live with father only	5
Other living arrangements	3
	100%
By Parents' Employment	
Both parents employed	42%
Father only employed	24
Mother only employed	22
Other employment situation	12
	100%
By Parents' Education (Household Head)	
Not high school graduate	26%
High school graduate	32
Any college (1/2 to 3 years)	20
College graduate	22
	100%

Base: STARS Teens 12-17 (2,089)

Answers to the first question suggest that teens today think well of themselves. More than two-thirds agreed that they are kind (80%), sociable (79%), trustworthy (76%), funny/humorous (75%), happy (74%), intelligent (73%), creative (70%), and outgoing (68%). And a fair number said they agreed "a lot" with these self-descriptive statements. By contrast, just a third described themselves as moody (35%), awkward (34%) or reserved (33%). We suspect, however, that the confident picture presented by teens is a bit exaggerated. More than likely, teens are responding in part as they would like to see themselves (and have others see them). Still, the answers to the question are interesting as they reveal characteristics teens perceive as desirable. (See Table 3.)

Table 3

Teen Self-Concept Ratings

	Agree little/lot	Agree a lot
Kind	80%	48%
Sociable	79	53
Trustworthy	76	50
Funny (humorous)	75	44
Happy	74	41
Intelligent	73	41
Creative	70	38
Outgoing	68	38
Brave	66	29
Affectionate	64	33
Broadminded	60	27
Self-assured	56	24
Influential	53	21
Frank	53	25
Efficient	52	23
Dominating	50	20
Stubborn	42	22
Tense	41	17
Refined	40	12
Moody	35	14
Awkward	34	10
Reserved	33	12

Base: STARS Teens 12-17 (2,089)

Question: For each of the statements below, please say whether you agree or disagree with it as a description of yourself. Please answer frankly, as you think you really are...if you are not sure about any description, just mark "not sure" and go on to the next one.

Sample statement: CREATIVE, inventive, imaginative, artistic (only key words shown above)

Self-concept ratings vary by the teenagers' sex and age. Girls are somewhat more likely than boys to describe themselves in a positive light as affectionate (68% vs. 60%). However, they're also more likely to admit they are stubborn (47% vs. 37% of boys), tense (45% vs. 37%), and moody (39% vs. 30%). Further, it's interesting that girls are less likely than boys to describe themselves as creative (65% vs. 74%). One explanation for these apparent sex differences is, simply, that girls are more "in touch" with themselves than boys. (We often see such sex differences in studies of adults.) However, they may also signal acceptance of sexual stereotypes by both girls and boys. (See Table 4.)

Table 4

Gender Differences in Self-Concept
(Proportion who "agree")

	Boys	Girls
Creative	74%	65%
Affectionate	60	68
Stubborn	37	47
Tense	37	45
Moody	30	39
Base: STARS Teens 12-17	(1,075)	(1,014)

A different pattern emerges when we examine self-concept by age. Here older teens are more likely to agree with almost every statement. That's true for both positive and negative characteristics. Older teens are more likely than younger teens to say they are affectionate (73% vs. 54%) and frank (63% vs. 42%). They're also more likely to admit they are moody (40% vs. 29%). In part, these differences are probably the result of teens becoming more sure of themselves and their opinions as they grow older. One fourth (26%) of those 12-14 compared to 11% of those 15-17 weren't sure how affectionate they are, for example. However, it's also likely that older and younger teens feel there are different qualities expected from them. Different expectations may influence their self-concept ratings. (See Table 5.)

Table 5

Age Differences in Self-Concept
(Proportion who "agree")

	12-14	15-17
Trustworthy	70%	82%
Affectionate	54	73
Broadminded	54	64
Influential	48	58
Frank	42	63
Stubborn	38	46
Moody	29	40
Base: STARS Teens 12-17	(995)	(1,094)

The second image question focused on what teens want others to think about them. We asked them: "If you could be remembered by your friends and classmates in school for only one thing, which of these four things would it be...a good student who got really high grades, a star athlete, a leader in student activities or most popular?" Nearly six in ten prefer high social status (being popular, a star athlete or student leader) vs. academic fame. In fact, the "good student" image is much less popular now than it was in 1978[1] (33% vs. 43%). Conversely, the "well-liked" image

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[1] See Children, Mothers and Newspapers, Newspaper Advertising Bureau, 1978.

Table 6

How Teens Want To Be Remembered by Classmates

	Total Teens		Total Boys		Total Girls	
	1978	1988	1978	1988	1978	1988
As a good student who got high grades	43%	33%	37%	25%	51%	41%
As a star athlete	24	20	36	27	11	13
As a leader in student activities	11	12	8	11	15	13
As being most popular	20	25	18	26	22	24
Don't know	2	10	1	11	1	9

Question: If you could be remembered by your friends and classmates in school for only one thing, which of these four things would it be...? (Asked of 1,074 NAB Recontact Teens)

NOTE: The 1978 survey sampled children from 6 to 17 years of age, but the percentages shown above are based only on those between 12 and 17 years old in that survey.

is chosen somewhat more often. This change in teenagers' desired image persists when we drop teens with no opinion (10% in 1988 vs. 2% in 1978) from the equation. (See Table 6.) A review of the self-concept ratings (Table 3) shows that the personality characteristics teens rate the highest go well with this "socially successful" image.

Despite the social and economic changes taking place in our society, girls and boys differ somewhat in desired image. First, girls are still more likely than boys to prefer the good student image (41% vs. 25%). Second, girls are less likely to desire the star athlete image (13% vs. 27% of the boys). That finding is particularly interesting since teenage boys in 1988 are less interested in the jock image than their 1978 counterparts were. In fact, the overall changes (1978 to 1988) in desired image appear more marked among boys than girls.

The desire to be socially successful also increases with age. Three in ten (31%) older teens want to be "most popular" compared to just 18% of younger teens. Concurrently, fewer of the older teens say they want the good student (30% vs. 36% of the younger teens) or the star athlete (17% vs. 23%) images.

Life Goals and Expectations

What goals do teens have in addition to being popular (and thinking well of themselves)? In the recontact study we asked teens how important seven life goals were to them personally. Teens rated each statement on a 1 to 10 scale; "10" meant that the goal was "extremely important" and "1" meant it was "not at all" important to them. The Newspaper Advertising Bureau has asked this series of questions twice before, in 1975 and 1970.[1] As Table 7 shows, today's teens are not all that different from predecessors: a mixture of practical self-interest and idealism. Teens' life goals shifted during the turbulent years between 1970 and 1975, but have remained fairly stable over the past thirteen years. For teens in that earlier period, "understanding myself" was life's most important aim.

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[1] See Young People and the Newspaper, Newspaper Advertising Bureau, 1971. Data from the 1975 study are unpublished.

Table 7

Rank of Extremely Important Life Goals: 1970 to 1988

	1970	1975	1988
Understanding myself	1	2	2
Being able to do what I want	2	3	3.5
Getting a secure, steady job	3	1	1
Working for peace	4	6	5
Understanding others	5	4	3.5
Working for a better society	6	7	7
Making a lot of money	7	5	6

Within a few years it had shifted to "getting a secure, steady job" and that's still number one. The lowest rating goes to "working for a better society," but that hasn't changed very much over the years.

Despite a shift in the rank order of extremely important life goals (toward careers), most teens rated all of the listed goals as at least somewhat important. Six in ten rated "understanding myself" (61%) and "understanding others" (60%) as very important (an 8, 9 or 10). About half said that about "being able to do what I want" (53%), "working for peace" (50%) and "working for a better society" (50%). The only goal that is very important to less than half of these teens is "making a lot of money to afford luxuries" (42%). However, the wording of that statement could imply greediness, a characteristic Americans disapprove of. (See Table 8.)

Table 8

Importance of Seven Life Goals

	"Extremely Important"	------Rated as------		
	"10"	8-10	4-7	1-3
Getting a steady, secure job	40%	63%	9%	28%
Understanding myself	32	61	17	22
Being able to do what I want	30	53	23	24
Understanding others	28	60	19	21
Working for peace	23	50	28	22
Making a lot of money to afford luxuries	21	42	37	21
Working for a better society	16	50	33	17

Base: NAB Recontact Teens 12-17 (1,074)

Question: Now I would like to find out what _you_ think will be important in your life. I'm going to read you some statements that describe a person's aim in life. For each one, please tell me how important it is for you _personally_, on a scale of one to ten, where "10" means it is something that is _extremely important_ to you, and "1" means something that is _not at all important_. You can use any number from one to ten.

Today, women are a growing part of the American work force. With career expectations rising, do girls today value money and employment goals highly? Yes, but not as much as boys do. Just 16% of the girls say that making a lot of money is extremely important (rating of 10) vs. one-quarter (26%) of the boys. Similarly, fewer girls than boys say a secure job is extremely important to them (36% vs. 44%).

It's interesting that life goals don't seem to change much with age. The only real difference in ratings by age concerned, reasonably enough, "being able to do what I want." Older teens say that's more important to them than younger teens do (33% vs. 26%).

Life goals aside, what aspirations do teens have for the future? First, six in ten teens (60%) say they will definitely or probably attend a four-year college. An additional 28% plan to go to a two-year college. They won't all get there, but they consider it to be the norm. And here's an interesting point: girls are more likely than boys (65% vs. 54%) to be planning a four-year college career. Plans to attend a four-year college are lower among older teens (55% vs. 64% of younger teens), however. One explanation for that finding is that older teens are simply more aware of tuition costs and entrance requirements. (See Table 9.)

Of course, plans for a four-year college education vary with teenagers' social and economic status. Their parents' education (defined as the education of the household head), for example, is a crucial factor. Among those whose parents hold a college degree three-fourths (76%) plan to go. By contrast, teens from families with some college (65%) or less education (51%) are less likely to do so. Further, plans to attend college increase with increasing socioeconomic status or class. Less than half of the teens in the lowest class (48%) plan to go to college compared to three-fourths (74%) of teens in the highest class. (Appendix Table A shows how social classes were defined by Simmons Market Research Bureau.)

Table 9

Aspirations for School and Work*

	"Definitely" or "Probably" Yes				
	Total	Sex		Age	
	Teens	Boys	Girls	12-14	15-17
Attend a four year college	60%	54%	65%	64%	55%
Attend a two year college	28	26	31	29	28
Go to a vocational school	15	17	13	12	17
Seek full-time employment	38	36	40	37	38
Go into the armed forces	19	28	11	21	18
Base: STARS Teens 12-17	(2,089)	(1,075)	(1,014)	(995)	(1,094)

*Percentages shown based on total teens 12-17; however, only those planning to graduate from high school (91%) were asked about plans for college, work, etc.

Geographically, plans to attend college are lowest among teenagers in the South (52%) and in rural (non-metro) areas (49%). (See Table 10.)

In addition to education goals, many teens plan to work after high school. Nearly four in ten teens (38%) say they'll seek a full-time job after they graduate. (Nine in ten--91%--say they'll finish high school.) And a fair number plan to serve our nation in the armed forces (28% of the boys and 11% of the girls). (Refer to Table 9.)

Finally, what about teens and the institution of marriage? Most teens today _do_ plan to marry and have children. More than four in five teens (83%) say they'll get married at some point. Nearly as many plan to have

Table 10

Who is Planning to Attend a Four-Year College?*

	Definitely or Probably attend
TEENS 12-17	60%
By Region	
Northeast	66%
North Central	64
South	52
West	63
By Metro Area	
Central city	62%
Suburban	63
Non-metro	49
By Social Position**	
Class I or II	74%
Class III	67
Class IV	54
Class V	48
By Education of Household Head	
High school graduate or less	51%
Some college	65
College graduate	76

* Percentages shown based on total STARS teens 12-17. However, only the 91% who plan to graduate high school were actually asked about college plans.

**See Appendix Table A for Social Class definitions

children (80%). Boys are somewhat less likely than girls to have these plans. However, there is no difference between older and younger teens on these points. (See Table 11.)

Table 11

Marriage and Children

	Total Teens	Sex Boys	 Girls	Age 12-14	 15-17
Plan to marry at some point	83%	78%	88%	82%	84%
Plan to have children (definitely/probably)	80	77	83	79	82
Base: STARS Teens 12-17	(2,089)	(1,075)	(1,014)	(995)	(1,094)

Percentages based on total teens 12-17; however, only teens planning to marry were asked about their plans for children.

How Teens Feel About "Leaving the Nest"

How do teens feel about moving out of the house and being away from their families? Popular wisdom might tell us that teens can hardly wait for the opportunity. However, less than half (44%) are "looking forward" to it. Older teens, naturally, are more likely to be ready for that experience. (Half of them are "looking forward" to moving out compared to 39% of the younger teens.) However, about as many teens say they "have mixed feelings about it" (47%). And a few (6%) say they "hate the whole idea." (Three percent aren't sure how they feel about moving out.) There are no differences between boys' and girls' sentiments on this point. (See Table 12.)

Where will these teens live when they leave home? About half (53%) say they expect to live in a different city or town. ("Going away" to college probably accounts for some of this expected mobility.) Perhaps girls say this somewhat more often than boys do (56% vs. 50%) because they are more likely to anticipate going to college. Still, not everyone feels that moving out means leaving town. Nearly four in ten (39%) plan to stick around when they're living away from their families. Another interesting point: the percentages of older and younger teens who expect to move away are about the same. That finding suggests that people develop their ideas about mobility before (or early in) the teen years. (See Table 12.)

Table 12

Leaving the Nest: Teens' Feelings and Expectations

	Total Teens	Sex		Age	
		Boys	Girls	12-14	15-17
Being out on my own					
Looking forward to it	44%	45%	43%	39%	49%
Have mixed feelings about it	47	46	48	50	43
Hate the idea	6	6	7	7	6
Not sure	3	3	2	4	2
Where I'll live then					
Same city or town	39%	42%	36%	39%	39%
Somewhere else	53	50	56	52	55
It depends (volunteered)	2	3	1	2	1
Not sure	6	5	7	7	5
Base: NAB Recontact Teens	(1,074)	(535)	(539)	(556)	(518)

Question: In a few years, you may be out on your own, living apart from your family. How do you feel about that? Would you say you are looking forward to being out on your own, do you have mixed feelings about it, or do you hate the whole idea?

When you are out on your own, do you think you will live in the same city or town you live in now, or somewhere else?

Attitudes and Opinions: Age Differences

Where do teens stand on the major issues affecting our society? To find out, Simmons Market Research Bureau asked them to rate their agreement with 46 issue statements. Teens could agree a lot, agree a little, disagree a little, disagree a lot, or say they weren't sure how they felt about each issue. We will only discuss statements that produced age or sex-based differences of opinion in this chapter. (The full battery of statements and responses is shown in Appendix Table B.)

Taken together, it's difficult to generalize about how opinions change with age (what direction they move in). Most of the statements (see Table 13) producing differences concern social as opposed to financial issues. (However, that is also the pattern for the entire battery of statements.) It's interesting that growth is clear in both traditionally liberal and traditionally conservative views. Older teens were more likely than younger teens to express "traditionally conservative" viewpoints on these statements: "Educational opportunities for women and men are equal" (57% of older teens vs. 47% of younger teens), "I favor the death penalty" (43% vs. 33%), "Nuclear energy is necessary for the energy needs of our country" (36% vs. 27%), and "Too much is made of the equal rights movement for women" (32% vs. 23%). In addition, fewer of the older teens agree that "All products that pollute the environment should be banned" (57% vs. 65%). However, they expressed more "traditionally liberal" attitudes than younger teens on these statements: "Corporations make a big profit" (66% vs. 56%), "I would consider marrying a person of a different faith if I loved him/her" (59% vs. 52%), and "Abortion laws should be less strict" (36% vs. 29%). (See Table 13.)

In addition, "economic patriotism" appears to increase with age. Older teens were more likely than younger teens (45% vs. 35%) to say "Compared to other countries, the American economic system is the best one."

Taken in combination, then, these shifts seem a bit confusing. It appears that the opinions of older teens reflect maturing awareness of social and environmental issues (alternative energy problems, civil rights, justice system issues). However, older teens' opinions are also more libertarian. They are more likely to accept both pollutants and abortions. Regardless of the reason for the shifts, they seem to reflect some of the attitudinal changes taking place in the adult population. If that is true, then we can look for interesting political changes in the future as today's teens become opinion leaders.

Attitudes and Opinions: Gender Differences

It's no surprise that boys and girls don't always agree on social and economic issues. In general, girls more often agree with so-called liberal statements than boys do. Girls are less likely than boys to support capital punishment (33% vs. 44%), nuclear energy (22% vs. 40% say it's necessary) and the need for the draft (32% vs. 46%). However, they're more likely than boys to support charitable organizations

Table 13

Changes in Opinion with Age*

	Percent Who Agree	
	12-14	15-17
All products that pollute the environment should be banned	65%	57%
Corporations make a big profit	56	66
A generation gap exists between teenagers and their parents	54	65
I would consider marrying a person of a different faith if I loved him/her	52	59
Educational opportunities for women and men are equal	47	57
Compared to other countries, the American economic system is the best one	35	45
Non-violent resistance accomplishes more than violent demonstrations	35	45
I favor the death penalty	33	43
Abortion laws should be less strict	29	36
Nuclear energy is necessary for the energy needs of our country	27	36
I am against nuclear power as a form of energy	34	25
Too much is made of the equal rights movement for women	23	32
Base: STARS Teens 12-17	(995)	(1,094)

*For full response information on the 46 statements included in the study, see Appendix Table B.

(28% vs. 37% say they accomplish too little) and the need to "do more" about racial segregation (16% vs. 26% feel the government has done all it can). (See Table 14.)

There's plenty of evidence that the "battle of the sexes" rages on at a more subtle level, too. Girls are less likely than boys to agree that job opportunities are equal for both sexes (25% vs. 37%). They're also less likely to say "Too much is made of the equal rights movement for women" (21% vs. 34%). Girls are more likely to say that movies have "gone too far" in showing nudity (36% vs. 26%).

Boys and girls also disagree somewhat on issues related to war. All five statements concerning war and the draft included in the battery showed male/female differences. Boys are more likely than girls to say "war is inevitable" (33% vs. 20%). That may explain why they support the draft more often than girls do. Boys are also more likely to say registration is necessary (46% vs. 32%) and morally correct (34% vs. 27%). Finally, boys are also more often certain that registration will lead to a draft (23% vs. 15%). (There may be other reasons why boys more often agree—49% vs. 35%—that women should be included in the draft!)

Bear in mind that none of these statements showed massive differences of opinion. The opinions held by boys and girls today are actually quite similar. One explanation for the lack of sharper differences is that many of these issues are not really personal concerns of the average teenager.

Table 14
Sex Differences in Opinions[*]

	Percent Who Agree	
	Boys	Girls
High school students today are getting a better education than their parents did as teenagers	57%	50%
Women should be included in registration for a possible draft	49	35
The metric system is easy to understand	45	37
Registration for a possible draft is necessary in order to help us be prepared	46	32
I favor the death penalty	44	33
American companies produce good value for the products and services they sell	39	30
Charitable organizations take too much money with little accomplishment	37	28
Registration for the possible draft of 18-year-olds was the right thing to do	34	27
Job opportunities for men and women are equal	37	25
Movies have gone too far in showing nudity	26	36
Nuclear power is necessary for the energy needs of our country	40	22
Too much is made of the equal rights movement for women	34	21
War is inevitable	33	20
The government has done all it can to combat racial segregation	26	16
Registration will ultimately lead to a draft	23	15
High school students have too much to say about their curriculum	23	16
People in need should not be helped, they probably brought it on themselves	17	10
Base: STARS Teens 12-17	(1,075)	(1,014)

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[*] For full response information on the 46 statements included in the study, see Appendix Table B.

Conclusions

As we enter the 1990's, teenagers are faced with an American society few could have imagined a generation ago. Many live in households where only one parent is present or in which both parents work. They have high aspirations for (and expectations of) themselves. And, they're already grappling with what it means to be an adult and to be successful in our society. In many respects, teens' attitudes mirror the changes taking place in the adult population as a whole. Still, their expectations and goals continue to reflect an abiding faith in marriage and the family. All in all, the teenage years are a stressful time. And it seems likely that role conflicts (and other pressures caused by changes in American society) create additional stress for today's teenagers.

II. TODAY'S TEENS AND THE NEWSPAPER

This chapter of the report focuses on teens' use of daily and Sunday newspapers. As part of that discussion we'll touch on selected uses of the other major media as well. (We'll compare newspapers to those other media as sources of advertising and entertainment information.)

Exposure to Newspapers

Teens think of themselves as newspaper readers. In an average week, 81% read or look at least one issue of the newspaper. Half (50%) are "week-long" consumers of newspapers, who say they read both daily and Sunday editions. Fewer read either the daily (22%) or Sunday (9%) paper exclusively. As Table 15 shows, patterns of newspaper readership are consistent across both age and sex groups, with one exception. Older teens are more likely than younger teens to be consistent (week-long) newspaper readers (54% vs. 47%).

Over five consecutive weekdays, the daily newspaper reaches seven in ten (68%) teenagers at least once. Still, teens tend to be less frequent newspaper readers than adults. Just 16% read five days out of five. Two in five read only one (29%) or two (11%) days out of five. Older teens are slightly more likely than younger teens to read five consecutive issues (19% vs. 12%). (See Table 16.)

Table 15

Days of the Week Newspapers Are Read

	Total Teens	Sex: Boys	Sex: Girls	Age: 12-14	Age: 15-17
Read at least once in past week					
Both Weekdays and Sundays	50%	52%	49%	47%	54%
Weekdays only	22	22	22	23	20
Sunday only	9	8	9	10	7
Did not read any in past week	19	18	20	20	19
	100%	100%	100%	100%	100%
Base: NAB Recontact Teens 12-17	(1,047)	(535)	(539)	(556)	(518)

Table 16

Cumulative (Five-Issue) Reach of the Daily Newspaper

	Total Teens	Sex: Boys	Sex: Girls	Age: 12-14	Age: 15-17
Number of Issues Read					
One of five	29%	32%	27%	31%	28%
Two of five	11	11	12	11	12
Three of five	6	4	7	7	4
Four of five	6	5	7	5	6
Five of five	16	18	14	12	19
FIVE ISSUE CUME	68%	70%	67%	66%	69%
Base: NAB Recontact Teens 12-17	(1,047)	(535)	(539)	(556)	(518)

The average weekday edition of the newspaper reaches 41% of all teens. Reach by the average Sunday edition is higher, at 48%. Both daily and Sunday papers reach more older than younger teens, however. About half of those ages 15-17 read a paper on the average weekday (47%) or Sunday (51%). By contrast, fewer of those ages 12-14 read the average weekday (35%) or Sunday (45%) edition. (Of course, average day exposure to newspapers continues to grow as teens become adults. Among those 18-24, 57% read the average daily and 62% read the average Sunday edition.)[1] There is no difference in the reach of the average daily or Sunday paper between boys and girls. (See Table 17.)

There are clear ties between newspaper reach and other demographic characteristics, however. And, as expected, the characteristics that relate to teen readership mirror demographic patterns tied to adult reading. Race, for example, is an important factor in newspaper exposure. On an average weekday white teens are somewhat more likely than black teens to read a newspaper (43% vs. 37%), and they're much more likely to do so on Sunday (51% vs. 37%). Similarly, reading of both daily and Sunday editions increases with increasing household income. Geographically, newspaper readership is highest in the Northeast (52% weekdays and 66% on Sunday). It's lowest in the South (34% daily, 32% Sunday) and in rural areas (35% and 33%, respectively). Finally, teens who say they will definitely attend a four-year college are above-average readers of both daily (47%) and Sunday (54%) editions.

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[1] Simmons Study of Media and Markets, 1989, Vol. M-5.

Table 17

Teenage Reach of Average Daily and Sunday Newspapers

	Average Weekday	Average Sunday
TEENS 12-17	41%	48%
By Sex		
Boys	42%	48%
Girls	41	49
By Age		
12-14	35%	45%
15-17	47	51
By Race		
White	43%	51%
Black	37	37
By Household Income		
Under $10,000	30%	36%
$10-19,999	42	40
$20-29,999	39	45
$30-39,999	47	53
$40,000+	44	58
By Region		
Northeast	52%	66%
North Central	44	53
South	34	32
West	43	57
By Metro Area		
Central City	44%	52%
Suburban	43	54
Non-metro	35	33
By Education Plans ("Will Definitely Attend")		
4-year college	47%	54%
2-year college	37	53

Base: STARS Teens 12-17 (2,089)

Developing the Newspaper Habit

Why do some teens read the newspaper while others do not? The home environment is a very important factor. Early exposure to the printed word (books and newspapers) at home makes for higher newspaper readership. For instance, reach is higher among teens saying that their parents read to them "almost every day" when they were very young. Of those, half (49%) read the average weekday paper and 57% read the average Sunday paper. Reach is much lower among those whose parents read to them "less than once a week" (30% daily, 43% Sunday). (See Table 18.)

A newspaper in the home, of course, invites readership. Of those with a Sunday paper delivered, 62% read on the average Sunday. Just two in five (40%) of those without home delivery read the average Sunday paper. Similarly, half (51%) of those with a daily paper home-delivered read on the average weekday. By contrast, teens in households that do not subscribe to the daily newspaper are below average readers of that edition (32%). And it's not surprising that current and former newspaper carriers are good readers. Nearly half (47%) read a daily paper on the average weekday and 57% read the average Sunday paper.

Does exposure to other media at home affect newspaper reading? Newspapers reach higher numbers of teens whose parents limited their television viewing early on (but don't anymore). Of those, 46% read the average daily and 55% read the average Sunday paper. By contrast, teens who never had their TV viewing monitored and those who are still monitored have slightly lower exposure to newspapers.

Table 18

Factors in Teenage Newspaper Readership: Reach of Average Daily and Sunday Newspapers

	Average Weekday	Average Sunday
ALL RECONTACT TEENS	42%	52%
Read to by parents[a]		
Almost every day	49%	57%
2 or 3 times a week	43	56
About once a week	38	39
Less often	30	43
Limits on TV viewing[b]		
Never had limits	40%	52%
Ever had limits	44%	53%
Have limits now	40	49
No limits now	46	55
Newspaper delivered[c]		
Daily paper delivered	51%	58%
Daily paper not delivered	32	46
Sunday paper delivered	50	62
Sunday paper not delivered	33	40
Have/had a newspaper route[d]		
Ever had a route	47%	57%

Base: NAB Recontact Teens 12-17 (1,074)

a - Please think back to when you were a young child and couldn't read yet. About how often did your mother, father or some other adult read to you?

b - And when you were younger, did your family let you watch TV as much as you liked, or did they put some limits on the amount of time you could spend watching TV? (IF YES) How about now? Do your parents still expect you to limit the amount of time you watch TV?

c - Does your household get home delivery of a (Sunday/daily newspaper--one that comes out every day Monday through Friday)?

d - Have you ever worked as a newspaper carrier?

These findings suggest that early childhood limits on TV viewing can have a positive impact on newspaper reading. Further, those whose TV viewing was restricted were more likely to say their parents read to them "almost every day" (40% vs. 31% of those claiming no limits). That suggests that limiting access to TV in early childhood may have encouraged greater reliance on print media. There is no difference in average day newspaper reading between those with and without TV limits, provided that they were read to daily as children. By contrast, those who were read to as children less often than everyday have lower readership rates whether or not their TV viewing was limited. Thus, both regular exposure to print and a home environment that limited early TV exposure are important factors in the development of the newspaper habit.

News Topics of Interest to Teens

When it comes to news, teens clearly have their own agenda. We asked them to rate their interest in 14 different news topics (as very, somewhat or not very interested). The top four items are jobs and careers (55% are very interested), fashion (47%), music (41%), and news about local high schools (40%).[1] In addition, more than one-third say they're very interested in high school sports (36%) or professional sports (35%). The topics generating the lowest levels of interest were celebrity news (20%), horoscopes and astrology (13%) and personal advice columns (9%).[1] (See Table 19.)

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[1] In a separate question, just one-third (32%) said they had "a lot" of interest in the recent 1988 Presidential election while 27% had "some" interest.

News interests among teenagers--as among adults--are somewhat different for boys and girls. Boys show much more interest in professional sports than girls do (50% vs. 19% are "very interested") No surprise there. They're also much more interested in cars and motorcycles (45% vs. 11%), and science and space (37% vs. 22%). Girls, on the other hand, are much more interested in clothes and styles (62% vs. 34% of boys), high school news (47% vs. 34%), celebrity news (25% vs. 16%), and even international news (32% vs. 23%). (See Table 20.)

Not surprisingly, older teens are more interested in job and career information than younger teens (61% vs. 48%). However, interest levels for the remaining topics are more likely to drop off or stay equal (than increase) as teens grow older. Entertainment and sports items show the largest drops in interest. When interpreting these findings, however, it is important to realize that many of the topics on the interest list are distinctly soft or feature-oriented in flavor. As teens get older they become more interested in topics usually referred to as "hard news", which were not fully covered by this battery.

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[1] For additional information see Children, Mothers and Newspapers, Newspaper Advertising Bureau, 1978. To compare teen and adult reading interests, see News and Newspaper Reading Habits, Newspaper Advertising Bureau, 1988.

Table 19

Teenagers' Interest in Selected News Topics

	Very Interested	Somewhat Interested	Not Very Interested
Information about jobs and careers	55%	39%	6%
News about clothes and styles	47	37	16
News about rock groups, concerts and tapes	41	43	16
High school news from this area	40	42	18
Sports news about local high schools	36	39	25
Sports news about professional teams or players	35	38	27
News about science and space exploration	30	40	30
Information about movies	29	57	14
Information about cars or motorcycles	28	35	37
News about other countries	27	51	22
New developments in computers and PCs	27	37	36
News about show business, Hollywood and TV	20	48	32
Horoscopes and astrology	13	30	57
Personal advice columns like Dear Abby or Ann Landers	9	27	64

Base: NAB Recontact Teens 12-17 (N=1,074)

Question: I'm going to ask you about some different subjects. Please tell me whether you personally are very interested, somewhat interested, or not interested in each one.

Table 20

Sex and Age Differences in Topics of Interest
(Percent "Very Interested")

	Total	Sex		Age	
	Teens	Boys	Girls	12-14	15-17
Jobs and careers	55%	51%	58%	48%	61%
Clothes and styles	47	34	62	49	46
Rock groups, concerts, tapes	41	40	42	43	39
High school news from this area	40	34	47	43	37
Local high school sports	36	38	34	40	32
Professional sports	35	50	19	39	32
Science and space	30	37	22	34	27
Information about movies	29	28	29	36	22
Cars or motorcycles	28	45	11	27	30
News about other countries	27	23	32	26	28
Developments in computers, PCs	27	29	24	28	26
Show business, Hollywood, TV	20	16	25	24	17
Horoscopes and astrology	13	8	18	12	13
Personal advice columns	9	5	14	7	12
Base: NAB Recontact Teens	(1,074)	(535)	(539)	(556)	(518)

Readership of Pages and Sections

Teens are much more selective newspaper readers than adults are. Only one in five say they usually "read or look at every page" of the daily (20%) or Sunday (17%) newspaper. (By contrast, 61% of adult readers say they read almost every page in the daily paper[1].) Teens' reading priorities are about the same for both daily and Sunday editions of the newspaper. Comics are the top attraction (68% read them in the daily paper and even more--76%--in the Sunday edition). Of course, the Sunday edition is more likely than the daily to run color comics in a separate section; that may account, in part, for higher comics reading on Sunday. Following comics, teens turn to sports (66% daily, 55% Sunday) and entertainment (52% daily, 48% Sunday). Somewhat fewer read the general news section (47% daily, 44% Sunday) or the TV/radio listings (46% daily, 41% Sunday). Those sections seem to form a "second tier" of interest for teens. A "third tier" of sections includes the more targeted classified, editorial, business/ finance, food, and home sections. These sections hold interest for smaller numbers (one-third or fewer) of teens. (See Tables 21 and 22 for the daily and Sunday page opening information.)

By the time they are teenagers, boys and girls are already showing different interests in their newspaper reading. Like adult men, teenage boys show more focused interests and reading patterns. Sports and comics are boys' top newspaper interests. While about equal numbers (seven in ten) read those two sections on Sunday, sports are clearly the number one attraction in the daily paper. Four in five boys--81%--read sports in the daily, compared to 63% reading the daily's comics.

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[1] See Daily Newspaper Page Opening: Pages and Sections Usually Read, Newspaper Advertising Bureau, 1989.

Table 21

Teen Readership of Daily Newspaper Pages and Sections

	Total Teens	Sex		Age	
		Boys	Girls	12-14	15-17
Generally read every page	20%	17%	23%	18%	22%
Read only some pages	80	83	77	82	78
Total opening to:					
Business, finance pages	27%	25%	29%	22%	32%
Classified	38	31	47	32	43
Comics	68	63	72	74	64
Editorial	28	24	31	24	31
Entertainment	52	43	62	49	55
Food	25	20	31	26	25
General News	47	40	55	45	50
Home	22	18	26	19	24
Sports	66	81	50	65	68
TV, radio listings	46	44	49	50	44

Source: SMRB STARS Study, 1988

Question: Do you generally read or look at every page in the entire newspaper, or do you tend to read or look at only some pages or sections?

Which of the numbers on this card describe the pages or sections in ________ you generally read or look at?

Table 22

Teen Readership of Sunday Newspaper Pages and Sections

	Total Teens	Sex		Age	
		Boys	Girls	12-14	15-17
Generally read every page	17%	16%	18%	13%	21%
Read only some pages	83	84	82	87	79
Total opening to:					
Business, finance pages	20%	20%	21%	16%	25%
Classified	30	28	33	23	37
Comics	76	73	79	83	71
Editorial	23	20	27	16	30
Entertainment	48	39	58	42	54
Food	21	19	24	18	24
General News	44	35	52	35	51
Home	20	17	23	16	25
Sports	55	68	41	49	60
TV, radio listings	41	35	47	40	42

Source: SMRB STARS Study, 1988

Question: Do you generally read or look at every page in the entire newspaper, or do you tend to read or look at only some pages or sections?

Which of the numbers on this card describe the pages or sections in ________ you generally read or look at?

The proportions reading "second tier" sections (TV/radio listings, entertainment and general news) are much smaller. Still, these sections do attract sizable proportions among male teenage readers (30% to 50%). Three in ten or less read "third tier" sections (business, classified, editorial, food and home), however. Boys read or look at an average of 3.9 sections in the daily paper and 3.5 sections in the Sunday paper.

Girls, on the other hand, show somewhat more diffuse interests and reading patterns. They read more sections, on average, than boys (4.5 sections of the daily paper, 4.1 sections on Sunday). That results in higher proportions of girls who read any given section. And, in contrast to boys, it's not possible to group their reading preferences into tiers. The comics are the top draw for girls (as for boys). Seven in ten (72%) read them in the daily paper and nearly four in five (79%) do so on Sunday. After the comics, they're most likely to turn to entertainment and general news, followed by the TV/radio listings and sports. In contrast to adult women, relatively few teenage girls show interest in the food section of the newspaper.

In addition to sex differences, we also see age differences in section reading. Older teens are much more likely than younger teens to read or look at hard news sections such as general news and business/finance. They're also more likely to read the editorial or opinion section. And it's not surprising that older teens (many with drivers licenses and "big plans") more often read the classified and entertainment pages. Finally, older teens are somewhat less likely than younger teens to read the comics. However, comics are still the number one section read by older teens on Sunday (71% read them), and the number two section during the week (64% read them).

Sunday Section Reading

The page and section readership data discussed above come from the STARS study, using a past-week reading method. In the recontact study, we asked teens an additional question about readership of five Sunday sections. (Those section were main news, sports, comics entertainment, and the magazine.) Teens told us how often they read each section—regularly, now and then, or not at all. All recontacted teens who ever read a Sunday newspaper—93%—answered this question.

Teens' answers to the recontact question show that most do read these major Sunday sections, at least occasionally. Not surprisingly, four in five Sunday readers enjoy the comics, with nearly half (48%) reading them regularly. Most also read the main news and entertainment sections, albeit less frequently (36% read entertainment regularly, 33% read main news regularly). An equal number (seven in ten) say they ever read the sports section. However, the majority of sports section readers are regular readers (57%). The only sector with greater appeal to its readers was the comic section (60%). Two-thirds (66%) read the magazine, with 27% saying they are regular readers. (See Table 23.)

Table 23

Frequency of Reading Sunday Sections*

	Read Regularly	Now & Then	Don't Read	Intensity of Appeal (Percent of Readers Who Read Regularly)
Comics	48%	32%	19%	60%
Sports	40	31	28	57
Entertainment	36	47	17	43
Main news	33	46	20	42
The magazine	27	39	33	41

Base: NAB Recontact Teens 12-17 who ever read the Sunday newspaper (N=994)

*Percentage saying "don't know" (about 1%) not shown.

Question: Let's talk about the Sunday newspaper for a minute. When you read or look at a Sunday paper, how often do you read each of these sections?

Sex and age differences in Sunday section reading are predictable. Boys are much more likely than girls to say they read the sports section regularly (56% vs. 24%). Girls, on the other hand, are more likely to read the entertainment section (41% of girls vs. 31% of boys) and the magazine (32% vs. 21%) regularly. As for age differences, older teens are more likely than younger teens to be regular readers of the main news section (39% vs. 27%). And, by contrast, older teens are less likely than younger teens to read the comics regularly (42% vs. 54%). (See Table 24.)

Table 24

Sex and Age Differences in Sunday Section Reading
(Percent Reading "Regularly")

	Total Teens	Sex: Boys	Sex: Girls	Age: 12-14	Age: 15-17
Comics	48%	49%	47%	54%	42%
Sports	40	56	24	41	40
Entertainment	36	31	41	36	36
Main news	33	30	36	27	39
The magazine	27	21	32	27	27
Base: NAB Recontact Teens Who Ever Read the Sunday Paper	(994)	(497)	(497)	(504)	(490)

Changes in Newspaper Reading

What are the dynamics of newspaper reading over time? We asked teens (recontact questionnaire) about changes in their reading of newspaper sections/features over the past year or so. Did they start reading any sections of the paper that they didn't read before? Did they stop reading any sections they had read before? Those who had made changes identified the sections they'd started or stopped reading.

Four in ten teens (42%) say they have started reading sections of the paper. Of those, the largest number said they started reading the sports section (26%). However, many started reading some hard news sections as well. Nearly one-fifth had started reading the front page/main news section (19%) or the classifieds (17%). One in ten started reading business/finance (10%) or local news (10%). (See Table 25.) By contrast, just 19% said they've stopped reading any particular section of the newspaper (Table 26). Of those, nearly half (46%) stopped reading the comics. No other section was mentioned by more than 5% of the respondents.

These data are consistent with the results on page and section readership by age shown in Tables 21 through 24. The findings provide additional evidence that reading of hard news increases with age while comics reading decreases.

Preference for the Daily vs. Sunday Paper

What do teens say is the value of the daily paper relative to the Sunday edition? We used a hypothetical question (in the recontact questionnaire) to explore this issue. (Only those who read both editions—at least occasionally—answered this question.) The question read: "If you had to give up reading one or the other, which one would you give up—the daily or Sunday paper?" Teens gave a small edge to the daily paper.[1] About half (52%) said they'd give up Sunday reading while 44% would give up the daily. A few (4%) were not sure.

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[1] In NAB's 1987 national readership study (see The Sunday Newspaper and Its Readers, 1988), young adults (18-24) went the other way. Half (51%) of them opted for the Sunday paper while 33% chose daily.

Table 25

Changes in Newspaper Readership: Began Reading Past Year (Items named by 5%)

Sports	26%
Front page/main news	19
Classified section	17
Business, finance	10
Local news	10
Editorial, opinion	8
Arts & entertainment	7
Comics	6
Horoscopes, astrology	6
International news	5

Base: NAB Recontact Teens who began to read parts of paper (N=456)

Question: In the past year or so, have you started reading any parts of the newspaper that you didn't read before? (IF YES) What parts of the paper are those?

Table 26

Changes in Newspaper Readership: Stopped Reading Past Year (Items named by 5%)

Comics	46%
Front page/main news	6
Sports	6
Classified	6
Horoscopes,astrology	6
Arts & entertainment	5

Base: NAB Recontact Teens who stopped reading parts of paper (N=201)

Question: In the past year or so, have you quit reading any parts of the newspaper that you used to read? (IF YES) What parts of the paper have you quit reading?

Why do teens prefer one edition of the newspaper over the other? Their reasons are predictable. Among those who prefer the Sunday paper, the main reason is the variety of news and features (mentioned by 60%). However, some pointed out that they like the summary of the week's news provided by the Sunday paper (14%). Similar proportions cited more/better advertising (13%) or comics (11%). A few (5%) said they just have more time to read the paper on Sunday

Among those who prefer the daily paper the main reason is up-to-date news (mentioned by 52%). However, nearly one in three (29%) said they prefer the mix of news and features in the daily paper. In addition, some (7%) pointed out that they don't have access to a Sunday paper. (See Table 27.)

Exposure to News

External events don't easily penetrate the world that most teenagers live in. Six in ten (62%) could not think of any personally interesting story in the news "yesterday or today". However, a lot was going on at the time of the survey: Gorbachev's visit to the United States, the Armenian earthquake, and the launch of the space shuttle Discovery.

Boys were more likely than girls (42% vs. 33%) to say they remembered an interesting item. In addition, those with greater exposure to the news media recalled stories more often than others. For example, 45% of those teens who read a daily newspaper "yesterday" recalled a news item,

Table 27

Reasons for Preferring the Sunday or Daily Newspaper (Items named by at least 5%)

Prefer Sunday Paper	
Prefer variety of news and features	60%
Provides recap of week's news	14
Has more/better advertising	13
Has more/better comics	11
I have more time to read	5
Base: Recontact Teens Who Prefer Sunday	(N=468)
Prefer Daily Paper	
Prefer current/up-to-date/ daily news	52%
Prefer mix of news/features	29
Don't get Sunday paper	7
Base: Recontact Teens Who Prefer Daily	(N=560)

Question: If you had to give up reading one or the other, which one would you give up--the daily or the Sunday paper? Why do you prefer the (Sunday/daily) paper?

compared to only 32% of those teens who did not read yesterday. Similarly, those who saw early evening TV news "yesterday" were more likely to mention a story than non-news viewers (49% vs. 39%).

Among those who did name an important story, one-third (35%) mentioned an item of international news. Nearly all of the international stories mentioned (32%) had to do with the Armenian earthquake. One in five (20%) mentioned some teen-related tragedy or crime story. National or U.S. news (most notably Gorbachev's visit and the space shuttle) accounted for an additional 15% of all story mentions. However, just 8% noted an item of local news (other than a crime or tragedy story). And, despite teenagers' clear interest in sports, only 8% mentioned a school or professional sports story. (See Table 28.)

Table 28

What Type of Story Was Recalled?

International News (NET)	35%
Armenian Earthquake	32
Crime/Tragedy (NET)	20%
Committed by teens	4
Teen victims	3
National (U.S.) News (NET)	15%
Gorbachev visit to NY	7
Space Shuttle	4
Local News	8
Sports News	8
Weather	7
Celebrity News	2
Health News	1
Other News	4

Base: Recontact Teens Who Recalled a News Story (N=419)

Question: Do you remember anything in the news yesterday or today that was particularly interesting to you? (IF YES) What was that?

Main Source of Information: Advertising and "Things to Do"

How do the media compare as sources of other types of information? We asked teens two questions to find out. One of the questions focused on where they get most of their advertising information:

> When you are going to buy something, where are you most likely to find the advertising that tells you the facts about what is available and where to buy it?

Four in ten (41%) said that the newspaper is their main source of advertising. Less than one in five (19%) called television or magazines (17%) their main source. Only 1% mentioned radio in this regard. Many other so-called advertising sources (such as school) were mentioned by a few teens. However, none of these other sources was named by more than 7%. (See Table 29.)

The other question asked teens where they get most of their information "about things to do or places to go." Newspaper (13%) and television (11%) are about as likely to be considered the top media sources here. Still, both media take a back seat to the grapevine. Four in ten teens (39%) say they get most of their information about activities from friends. (That proportion increases with age from 34% of those age 12-14 to 40% of those age 15-17.) In addition, some named their family (12%) or school (8%) as their main source of information.

Table 29

Main Source of Advertising

Newspaper	41%
Television	19
Magazines	17
Word-of-mouth	7
Radio	1
School	1
Other	8
Don't know	6
	100%

Base: NAB Recontact Teens 12-17 (N=1,057)

Question: When you are going to buy something, where are you most likely to find the advertising that tells you the facts about what is available and where to buy it? (IF MORE THAN ONE) Of these, which one source would you say is most helpful?

Table 30

Main Source of Information About Things To Do/Place To Go

Friends	39%
Newspaper	13
Family	12
Television	11
School	8
Magazine	4
Radio	4
Word-of-mouth	4
Other	2
Don't know	3
	100%

Base: NAB Recontact Teens 12-17 (N=1,061)

Question: Where do you get most of your information about things to do or places to go? (IF MORE THAN ONE) Of those, which one source would you say is the most helpful?

Conclusions

Teenagers' newspaper reading habits are quite different from those we typically associate with adults. They are selective about what they read; adults tend to be more general readers. And they read a daily newspaper less frequently during the week. These differences may be explained, at least in part, by the variety of news sources that are available today. Another factor is the stressful environment teens are growing up in and the expectations that teens have for themselves. The newspaper is not often viewed as a way to escape from such stresses. Finally, the subjects that teens care about most are not often visible parts of the newspaper's content.

Still, teens do see value in the newspaper. Many view it as the most helpful source of advertising. In addition, significant number of teens read the average daily and Sunday editions of the paper. While their exposure levels are generally lower than those of adults, reading increases with age, as the newspaper reading habit becomes more firmly fixed.

APPENDIX

Table A

Definitions for Social Class Assignments
(From SMRB STARS 1988 Codebook)

	Occupation of Household Head	Education of Household Head
Class I (Upper)	Higher executives Major professionals Higher proprietors	Graduate or professional
Class II (Upper Middle)	Higher executives Major professionals Higher proprietors	College graduates to Some H.S. (10-11)
	Managers Lesser professionals Large proprietors	Graduate or prof. to Some college
	Administrators Minor professionals Medium proprietors Large farmers	Graduate or prof.
Class III (Lower Middle)	Higher executives Major professionals Higher proprietors	Junior H.S. or less
	Managers Lesser professionals Large proprietors	H.S. graduates or less
	Administrators Minor professionals Medium proprietors Large farmers	College graduates to Some H.S. (10-11)
	Clerical/sales workers Technicians Small proprietors Medium farmers	Graduate or prof. to Some college
	Skilled workers Small farmers	Graduate or prof. to college graduate

Social Class Definitions (Continued)

	Occupation of Household Head	Education of Household Head
Class IV (Lower)	Administrators Minor professionals Medium proprietors Large farmers	Junior H.S. or less
	Clerical/sales workers Technicians Small proprietors Medium farmers	H.S. graduate or less
	Skilled workers Small farmers	Some college to Some H.S.
	Semi-skilled workers Operators Unskilled workers	Graduate or prof. to H.S. graduate
	Homemakers Students Never worked	Graduate or prof. to College graduate
Class V (Lower)	Skilled workers Small farmers	6 years or less
	Semi-skilled workers Operators Unskilled workers	Some H.S. or less
	Homemakers Students Never worked	Some college or less

Occupation classifications were based on the Standard Occupational Classification (SOC) system as revised in 1980 by the Bureau of the Census.

Table B

Attitudes and Opinion Battery

	AGREE	NOT SURE	DISAGREE
All products that pollute the environment should be banned	61%	24%	15%
Corporations make a big profit	61	34	5
A generation gap exists between teenagers and their parents	60	29	11
The education I am getting today prepares me for a job	60	22	18
The equal rights amendment should become a federal law	58	35	7
I would consider marrying a person of a different faith if I loved him/her	56	32	12
High school students today are getting a better education than their parents did as teenagers	54	29	17
Educational opportunities for women and men are equal	52	30	18
I feel I have an obligation to help the less fortunate	50	38	12
Formal religion is an important part of my life	47	30	23
I would give more time to charitable causes if I felt my efforts would make a real difference	47	37	16
I would consider marrying a person of a different race if I loved him/her	47	33	20
Service in the armed forces should be strictly voluntary	45	35	20
Women should be included in registration for a possible draft	42	32	36
The metric system is easy to understand	41	30	29

Table B

Attitudes and Opinions (Continued)

	AGREE	NOT SURE	DISAGREE
Compared to other countries, the American economic system is the best one	40%	41%	19%
Non-violent resistance accomplishes more than violent demonstrations	40	49	11
Teen age values on sexual freedom today are too liberal	39	42	19
Registration for a possible draft is necessary in order to help us be prepared	39	44	17
I favor the death penalty	38	33	29
Most teens are respectful to their elders	37	24	39
Most teens are respectful to each other	36	23	41
American companies produce good value for the products and services they sell	34	44	22
An unhappily married couple should get divorced even if it involves children	34	41	25
Abortion laws should be less strict	33	32	35
Charitable organizations take too much money with little accomplishment	33	43	24
Registration for the possible draft of 18-year olds was the right thing to do	31	39	30
Job opportunities for men and women are equal	31	27	42
Movies have gone too far in showing nudity	31	26	43
Nuclear power is necessary for the energy needs of our country	31	45	24
Most middle aged people are prejudiced against new laws	30	54	16
Change to the metric system is a good idea	30	43	27

Table B

Attitudes and Opinions (Continued)

	AGREE	NOT SURE	DISAGREE
I am against nuclear power as a form of energy	29	43	28
Too much is made of the equal rights movement for women	28	40	32
Women earn the same pay as men for doing the same job	28	34	38
War is inevitable	26	46	28
Corporations care about the people who buy the products they manufacture	24	37	39
The government has done all it can to combat racial segregation	22	43	45
The government is responsive to what young people have to say	21	31	48
Interracial marriage is a bad thing	20	42	38
The government has effective methods to fight pollution	19	42	39
Registration will ultimately lead to a draft	19	55	26
High school students have too much to say about their curriculum	19	41	40
Marijuana should be legalized	19	23	58
The government is doing everything it can to fight pollution	18	31	51
People in need should not be helped, they probably brought it on themselves	14	28	58

QUESTION: Things happen so fast and changes take place every day. We would like to know what young people are thinking about right now. Please read through each statement and say whether you personally agree or disagree with it. Please answer frankly. There aren't any right or wrong answers. If you are not sure about any description, just mark "not sure" and go on to the next one. (Agree a lot, agree a little, not sure, disagree a little, disagree a lot)

AGREE = agree a little + agree a lot
DISAGREE = disagree a little + disagree a lot

Table C

Demographic Characteristics of Sample Respondents (Weighted)

	Census Estimates or Projections	STARS 88 Sample	NAB Recontact Sample
Total Teens 12-17	20,500,000	20,446,000	20,447,000
BY AGE[a]			
Age 12	15.8%	15.8%	15.9%
Age 13	16.1	15.9	15.9
Age 14	15.8	16.4	15.5
Age 15	16.4	16.0	16.9
Age 16	17.3	17.0	17.8
Age 17	18.6	18.9	18.0
	100.0%	100.0%	100.0%
BY SEX[a]			
Boys	51.3%	51.2%	51.2%
Girls	48.7	48.8	48.8
	100.0%	100.0%	100.0%
BY HOUSEHOLD INCOME[b]			
Under $10,000	18.4%	14.4%	13.9%
$10-14,999	10.6	10.1	10.4
$15-19,999	10.0	8.1	7.2
$20-24,999	9.2	8.0	7.8
$25-34,999	16.1	19.6	20.2
$35-49,999	17.1	24.1	23.5
$50,000+	18.6	15.7	17.0
	100.0%	100.0%	100.0%
BY REGION[b]			
Northeast	21.0%	17.3%	17.5%
Mid-West/N. Cent.	24.6	24.5	24.5
South	34.1	36.8	36.1
West	20.3	21.4	21.9
	100.0%	100.0%	100.0%
BY EDUCATION[b,c]			
Less than 8 years	7.2%	7.2%	7.0%
8 years	5.7	5.4	4.6
9-11 years	12.4	13.4	11.8
12 years (HS grad)	36.0	31.9	30.7
1-3 years of college	17.1	20.1	22.2
College graduate +	21.7	22.0	23.7
	100.0%	100.0%	100.0%

[a] Bureau of the Census. Population Estimates and Projections. Series P-25 # 1018. (Data shown are projected for 1988.)

[b] Bureau of the Census. Consumer Income. Series P-60 # 162. (1987 Data.)

[c] Point of comparison is the household head.